

6592. By Mr. WATSON: Resolution adopted by the Pomona Grange, No. 22, of Bucks and Philadelphia Counties, Pa., in favor of changing the system of electing the President and Vice President of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

SENATE.

THURSDAY, December 14, 1922.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Lord, Thou hast ordained the bounds of our habitation, the number of our months is with Thee, but amid the changing scenes of life we rejoice that Thou art from everlasting to everlasting God. Unto Thee can we come at all times, whatever may be the distress or the responsibility. We humbly ask that this day may find us fulfilling Thy good pleasure. Through Jesus Christ. Amen.

WILLIAM H. KING, a Senator from the State of Utah, appeared in his seat to-day.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

A bill (H. R. 13316) making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes; and

A joint resolution (H. J. Res. 408) authorizing payment of the salaries of the officers and employees of Congress for December, 1922, on the 20th day of that month.

CREDENTIALS OF SENATOR ASHURST.

Mr. CAMERON. I present the credentials of the senior Senator from Arizona [Mr. ASHURST], and ask to have them read.

The credentials were read and ordered to be placed on file, as follows:

STATE OF ARIZONA,
Office of the Secretary.

UNITED STATES OF AMERICA, State of Arizona, ss:

I, Ernest R. Hall, secretary of state, do hereby certify that on December 7, 1922, I made an official canvass of the returns made to this office by the boards of supervisors of every county in the State, and I find that HENRY F. ASHURST, Democratic candidate for United States Senate, at the general election held on November 7, 1922, received the highest number of votes for said office, as appears by the official returns and approved by the official canvass and now on file in this office, and was, therefore, elected United States Senator from Arizona.

In witness whereof I have hereunto set my hand and affixed my official seal. Done at Phoenix, the capital, this 7th day of December, A. D. 1922.

[SEAL.]

ERNEST R. HALL,
Secretary of State.

PETITIONS AND MEMORIALS.

Mr. CAPPER. I ask unanimous consent to have printed in the RECORD a resolution adopted by the National Board of Farm Organizations in opposition to the ship subsidy measure. I ask that the resolution may be referred to the Committee on Commerce.

There being no objection, the resolution was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolution adopted by the semiannual conference of the National Board of Farm Organizations, held at Washington, D. C., October 11-13, 1922.

Whereas it is apparent that the question of granting subsidies to our merchant shipping will soon be brought to a vote in Congress; and Whereas the farmers of the United States have been traditionally opposed to the granting of such subsidies; and

Whereas the plan embodied in the Jones-Greene bill which is now under consideration contains many provisions that are extremely objectionable and would, in our opinion, be detrimental to the best interest of the country as a whole if enacted: Therefore be it

Resolved, That this body record an emphatic protest against the passage of this proposed legislation.

Mr. CAPPER presented a resolution adopted by the Federated Shop Crafts of Parsons, Kans., favoring the enactment of legislation to prohibit immigration, which was referred to the Committee on Immigration.

Mr. SHEPPARD presented the petition of C. P. Sites and sundry other citizens, of Dallas, Tex., praying that prompt help be extended by the Federal Government to the suffering peoples of the Near East, which was referred to the Committee on Foreign Relations.

Mr. LADD presented petitions of Herman Huhn and 3 others, of Anamoose; Ferdinand Novak and 3 others, of Lankin; Alfred Strokchein and 3 others, of Elgin; John S. Behan and 2 others, of Mohall; Thomas M. Fleming and 4 others, of Ellendale; Paul Paulsen and 10 others, of Powers Lake; J. A. Dittman and 9 others, of Ray; Ole C. Kjerheim and 8 others, of Olsen; Joseph Martineau and 7 others, of Leroy; and A. H. Hammond and 37 others, of Grand Forks County, all in the State of North Dakota, praying for the enactment of legislation stabilizing the prices of wheat, which were referred to the Committee on Agriculture and Forestry.

REGULATION OF OPTOMETRY IN THE DISTRICT.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 2822) to regulate the practice of optometry in the District of Columbia, reported it with amendments, and submitted a report (No. 942) thereon.

LITTLE CALUMET RIVER BRIDGE, ILLINOIS.

Mr. CALDER. I report back favorably without amendment from the Committee on Commerce the bill (S. 4031) to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county, and I submit a report (No. 943) thereon. I ask unanimous consent for the consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the State of Illinois, the county of Cook, or the city of Chicago, separately or jointly, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Little Calumet River at a point suitable to the interests of navigation, at or near the village of Riverdale, in Cook County, Ill., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

KANKAKEE RIVER BRIDGES, ILLINOIS.

Mr. CALDER. I report back favorably without amendment from the Committee on Commerce the bill (S. 4032) granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east, of the third principal meridian, and I submit a report (No. 944) thereon. I ask unanimous consent for the consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east of the third principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. CALDER. I report back favorably without amendment from the Committee on Commerce the bill (S. 4033) granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian, and I submit a report (No. 945) thereon. I ask unanimous consent for the consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county

of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COLORADO RIVER BRIDGE NEAR YUMA.

Mr. CALDER. I report back favorably without amendment from the Committee on Commerce the bill (S. 4069) to authorize the construction of a railroad bridge across the Colorado River near Yuma, Ariz., and I submit a report (No. 946) thereon. I ask unanimous consent for the consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Southern Pacific Railroad Co., a corporation of the States of California, Arizona, and New Mexico, its successors and assigns, be, and it is hereby, authorized to construct, maintain, and operate a railroad bridge and approaches thereto across the Colorado River, at a point suitable to the interests of navigation, between School Hill, in the Yuma Indian Reservation, in Imperial County, State of California, and Penitentiary Hill, in the town of Yuma, Yuma County, State of Arizona, such bridge to be upstream and easterly from the present highway bridge across the Colorado River between said points, and to be constructed and maintained in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MEMORIAL BRIDGE ACROSS DELAWARE RIVER.

Mr. CALDER. I report back favorably with amendments from the Committee on Commerce the joint resolution (S. J. Res. 249) providing for the construction of a memorial bridge across the Delaware River at the point where Washington and his troops crossed said stream on the night of December 25 and the day of December 26, 1776.

The amendment to the joint resolution was, on page 3, line 5, after the numerals "1926" and before the period, to insert a colon and the following proviso:

Provided, That the bridge shall be so located and built as not to unreasonably obstruct navigation, and to secure this object the structure shall not be commenced until the plans and location have been approved by the Secretary of War and the Chief of Engineers.

So as to make the joint resolution read:

Whereas on the night of December 25 and the day of the 26th, 1776, Washington crossed the Delaware and won the Battle of Trenton, and as December 25 and 26, 1926, will be the one hundred and fiftieth anniversary of this significant event in the Revolutionary struggle for the cause of liberty, and as there has meanwhile been no fitting memorial erected at this spot; and

Whereas the States of New Jersey and Pennsylvania have commenced the establishment of suitable historical parks on the two sides of the Delaware River and have developed a plan which contemplates connecting these parks by a memorial bridge which will be composed of 13 sections which will suitably commemorate the part performed by each of the Colonies; and

Whereas the other Colonies share equally with New Jersey and Pennsylvania in the glory and benefits of this notable Revolutionary victory; and

Whereas it is estimated that the memorial bridge will require the expenditure of \$800,000; and

Whereas it is proposed that the States of New Jersey and Pennsylvania shall each contribute one-quarter of this sum: Therefore be it *Resolved, etc.,* That Congress hereby indorses the foregoing project and hereby appropriates, out of any money in the Treasury of the United States not otherwise appropriated, the sum of \$400,000 toward the construction of a memorial bridge across the Delaware River at the point where Washington and his troops crossed the said stream on the night of December 25 and the day of December 26, 1776, the above sum to be available in four equal parts during the intervening years to secure the completion of the bridge prior to December 26, 1926.

SEC. 2. That a National Washington Crossing Commission be, and is hereby, authorized, to consist of 15 members, 5 to be appointed by the President of the United States, and 5 each by the Governors of the States of New Jersey and Pennsylvania, with full powers to develop the plans and proceed with their completion and execution and with instructions to use all reasonable expedition so that the work may be finished and ready for dedication on December 26, 1926: *Provided,* That the bridge shall be so located, etc.

Mr. FLETCHER. I ask the Senator from New York if all these bridges are not constructed under the act of Congress?

Mr. CALDER. That clause is in all bridge bills, but the introducer of this joint resolution omitted it, and so we put it in.

Mr. FLETCHER. I ask the Senator whether it is to be a toll bridge or free?

Mr. CALDER. They are all free.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The amendment to the preamble was in line 2 of the second whereas to strike out the word "establishment" and insert "establishment."

The amendment was agreed to.

The preamble, as amended, was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STERLING:

A bill (S. 4167) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, in order to extend the benefits of said act to certain employees in the Panama Canal Zone; to the Committee on Civil Service.

By Mr. McNARY:

A bill (S. 4168) to extend for one year the powers of the War Finance Corporation; to the Committee on Finance.

By Mr. McKINLEY:

A bill (S. 4169) granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River; to the Committee on Commerce.

By Mr. WATSON:

A bill (S. 4170) granting a pension to Lewis V. Boyle; to the Committee on Pensions.

By Mr. RANDELL:

A bill (S. 4171) for the examination and survey of the Intracoastal Canal from the Mississippi River at or near New Orleans, La., to Corpus Christi, Tex.; to the Committee on Commerce.

THE MERCHANT MARINE.

Mr. BROOKHART submitted an amendment intended to be proposed by him to the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILL AND JOINT RESOLUTION REFERRED.

The following bill and joint resolution were each read twice by title and referred to the Committee on Appropriations:

A bill (H. R. 13316) making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes; and

A joint resolution (H. J. Res. 408) authorizing payment of the salaries of the officers and employees of Congress for December, 1922, on the 20th day of that month.

APPROPRIATIONS FOR DEPARTMENTS OF STATE AND JUSTICE.

Mr. CURTIS. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 13232) making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kansas?

Mr. FLETCHER. I think we ought to have a quorum. There are a number of Senators absent who are interested in the bill.

Mr. CURTIS. I was going to ask for a quorum after we got the bill up for consideration.

Mr. FLETCHER. I have no objection to that course.

Mr. ROBINSON. If there is to be a quorum call, I suggest that that action be taken before the Senate proceeds to the consideration of the bill, so that Senators who are not now present may have an opportunity to object to the consideration of the bill if they see proper to do so. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Lodge	Simmons
Ball	George	McCumber	Smoot
Bayard	Glass	McKellar	Spencer
Borah	Gooding	McKinley	Sutherland
Brandegee	Harrell	McNary	Trammell
Cameron	Harris	Nelson	Underwood
Capper	Harrison	New	Wadsworth
Colt	Heflin	Nicholson	Walsh, Mass.
Couzens	Johnson	Norris	Warren
Culberson	Jones, Wash.	Overman	Weller
Cummins	Kellogg	Page	Williams
Curtis	Kendrick	Phipps	
Dial	Keyes	Reed, Pa.	
Dillingham	Ladd	Robinson	
Ernst	Lenroot	Sheppard	

Mr. CURTIS. I was requested to announce the absence on official business of the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from New Mexico [Mr. JONES], and the Senator from Iowa [Mr. BROOKHART].

I was also requested to announce that the Senator from Ohio [Mr. WILLIS] is necessarily absent because of illness in his family.

The VICE PRESIDENT. Fifty-seven Senators have answered to their names. A quorum is present. The Senator from Kansas [Mr. CURTIS] has asked unanimous consent that the Senate proceed to the consideration of House bill 13232, making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. CURTIS. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be considered first.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, on page 14, line 9, to increase the appropriation for post allowances to diplomatic and consular officers from \$150,000 to \$200,000.

Mr. ROBINSON. Mr. President, this amendment carries an increase of \$50,000 over the appropriation authorized by the House of Representatives. I think the Senator in charge of the bill should make an explanation of the necessity for the increase.

Mr. CURTIS. There was a very full and complete hearing before the House Committee and also before the Senate Committee in reference to the matter. After hearing the Secretary of State, in view of the fact that there was an appropriation for this purpose last year of \$200,000, the demands upon which were so great that there may be a deficit reported, and inasmuch as \$200,000 were estimated by the department for this year and that estimate was allowed after careful consideration by the Budget Bureau, and as the official who appeared before the committee stated that it would be impossible to get along without the \$200,000, the subcommittee recommended to the full committee that amount; and the full committee, after considering the matter very carefully, also recommended the increase.

Mr. ROBINSON. Mr. President, the provision is somewhat exceptional in character. It reads as follows:

To enable the President, in his discretion, and in accordance with such regulations as he may prescribe, to make special allowances by way of additional compensation to diplomatic and consular officers and consular assistants and officers of the United States Court for China in order to adjust their official income to the ascertained cost of living at the posts to which they may be assigned.

As the committee proposes the sum of \$200,000 is fixed, while as passed by the House of Representatives \$150,000 were allowed. This provision, if enacted into law, would give the President unlimited authority within the amount of the appropriation to fix salaries. I wonder why the committee did not go into the matter in detail and adjust the salaries and specify them in the bill.

Mr. CURTIS. Mr. President—

Mr. ROBINSON. Just a moment. The practice of fixing salaries by Executive regulation and Executive discretion is, on the whole, not to be approved. It adds a very difficult burden to the Executive and one which, under the Constitution and practice which have heretofore prevailed, has not ordinarily been imposed on the executive department. The responsibility is upon Congress, under the Constitution, to safeguard all expenditures necessarily imposing burdens in the form of taxation upon the people of the country; and I apprehend that any Chief Executive of the Nation would much prefer that Congress should discharge its functions and fix salaries and make the appropriations which are necessary in order to meet the obligations thus imposed upon the Government.

When the Executive enters into the field of fixing salaries he is necessarily exposed to pressure and to influence from those who feel that their salaries ought to be increased; and experience has shown that practically every employee of the Government, both at home and abroad, has found justification, not to say necessity, for an increase in the compensation which he is receiving from the Government. That condition grows out of circumstances with which we are all familiar; some justification, in fact, exists for it; but I am curious to know why the Congress finds it necessary to adopt what appears to be the permanent policy in regard to the matter of at least from year to

year requiring the Executive to adjust salaries and of providing a lump sum of \$200,000 for that purpose. Now I yield with pleasure to the Senator from Kansas.

Mr. CURTIS. I desire to state that I agree full- with the Senator from Arkansas, and as chairman of the subcommittee having charge of this bill I gave the matter very careful consideration, hoping that we might return to the old method of fixing salaries, and that conditions might be such that we could readily do so. This policy, however, as the Senator from Arkansas well knows, was adopted because of the war and of conditions growing out of the war. In many foreign countries those conditions still exist. The showing before the committee was very strong that in a number of cases it was utterly impossible for the Government officials to live on the salary which was provided. Allowances under this fund are only made after careful investigation and upon the recommendation of the State Department.

I wish to state to the Senator that if I shall remain chairman of the subcommittee having charge of this bill, just as soon as conditions are such that we may do so, I shall recommend to the subcommittee and the full committee that the salaries of these officials be fixed and that this item shall be eliminated from the bill.

Mr. SMOOT. Mr. President—

Mr. ROBINSON. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I wish to say, in addition to what has been stated by the Senator from Kansas [Mr. CURTIS], that the conditions sought to be covered by the amendment arose, first, on account of the difference in the exchange values of money in foreign countries, where the fluctuations were frequent and where the cost of living mounted so high that nobody ever anticipated or could anticipate it. It is a temporary matter. If those countries ever get back to normal conditions it will not be necessary to increase the salaries of our officials who are stationed there, but at the present time, under conditions existing in the world, many of our diplomatic and consular officials can not live on the salaries which are regularly appropriated for them in the bill.

Mr. ROBINSON. Let me inquire of the Senator from Utah if he sees an early prospect of the stabilization of exchange, particularly in relation to the countries to which he refers?

Mr. SMOOT. No; I can not say how soon that will happen or how soon conditions will right themselves; and no other human being can do so.

It does seem to me, however, that it would be better now to adopt the method proposed in the bill of meeting these unheard-of and heretofore unknown conditions than to try to fix rigidly the salaries of our officials in various foreign countries, though it may later be possible to do so.

Mr. CURTIS. May I make a suggestion right there?

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. In view of the showing which was made, I think it is perfectly evident that the State Department is trying to have the appropriation which they are allowed for this purpose reduced just as fast as possible. For instance, there was appropriated for this purpose in 1919 the sum of \$700,000; in 1920 there was appropriated \$600,000; in 1921 there was also appropriated \$600,000; in 1922 there was appropriated \$250,000; and this year the department is only asking \$200,000 for this purpose.

Mr. ROBINSON. Mr. President, I presume the hearings will disclose in detail the manner in which this fund is disbursed by the Executive. Of course, we all know that the President himself can not give any attention whatever to the disbursement of a fund of this nature. It would be interesting to know just exactly how the adjustment of allowances out of this fund are made, upon what evidence and through what influences. In order that Senators who desire to do so may have an opportunity of looking into the record and ascertaining a little more definitely the facts, I ask that for the present the item be passed over and that the Senate proceed to the consideration of other amendments.

Mr. CURTIS. There is no objection to that. I may say to the Senator that the matter is discussed on pages 14 and 53 of the House hearings.

The VICE PRESIDENT. The amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 15, line 15, to strike out "\$25,913.50" and insert "\$15,000," so as to read:

To enable the President to perform the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906 between the United States and Mexico, including not to exceed \$900 for rent, \$15,000.

Mr. CAMERON. Mr. President, I should like to reserve the right to offer an amendment to that amendment.

Mr. CURTIS. As I understand, the amendment which the Senator desires to offer is to the proviso.

Mr. CAMERON. Yes, sir.

Mr. CURTIS. If it is desired I have no objection to passing over the committee amendment until the other amendments shall have been concluded. Then the Senator may offer his amendment.

Mr. CAMERON. Very well.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 20, line 2, to increase the appropriation for the expenses of the arbitration of outstanding pecuniary claims between the United States and Great Britain, from \$60,000 to \$66,370.

The amendment was agreed to.

The next amendment was, on page 27, line 13, to increase the appropriation for furniture and repairs, contingent expenses, Department of Justice, from \$6,000 to \$6,500.

The amendment was agreed to.

The next amendment was, on page 28, line 8, to increase the appropriation for miscellaneous expenditures, contingent expenses, Department of Justice, from \$40,000 to \$45,000.

The amendment was agreed to.

The next amendment was, on page 30, line 2, to increase the appropriation for defending suits in claims against the United States from \$60,000 to \$65,000.

The amendment was agreed to.

The next amendment was, in the appropriations for the Department of Justice, on page 31, line 14, after the word "duties," to strike out the additional proviso in the following words:

Provided further, That the automobile purchased from the appropriation for detection and prosecution of crimes for the fiscal year 1923 shall hereafter be under the exclusive control of the Director of the Bureau of Investigation.

Mr. ROBINSON. Mr. President, let us have an explanation from the Senator in charge of the bill of the purpose of that amendment.

Mr. CURTIS. There was nothing in the hearings on the item, and when the committee found the clause in the bill it was as much surprised, I think, as was the Senator from Arkansas. All the property of the Department of Justice is under the control of the Attorney General, but this item took from his control a motor vehicle and put it exclusively under the control and direction of the chief investigating officer.

Mr. ROBINSON. That is Mr. William J. Burns?

Mr. CURTIS. Yes. Why the House put it in, of course I can not say, but the committee thought, as all the property now used by the Department of Justice is under the control of the Attorney General, that this proviso ought to be stricken out, and that the department ought to be able to make proper disposition of the vehicle.

Mr. ROBINSON. I apprehend that there was some mysterious, not to say secret, purpose as the provision was originally inserted, but, that reason not being disclosed, I am unable to offer any resistance to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 31, line 22, to increase the appropriation for enforcement of antitrust laws from \$200,000 to \$230,000.

The amendment was agreed to.

The next amendment was, in the appropriations for Territorial courts, on page 37, line 23, to increase the appropriation for salaries, fees, and expenses of United States marshals and their deputies from \$2,275,000 to \$2,300,000.

The amendment was agreed to.

The next amendment was, on page 38, line 14, to increase the appropriation for salaries of United States district attorneys and expenses of district attorneys and their regular assistants from \$900,000 to \$950,000.

The amendment was agreed to.

The next amendment was, on page 40, line 3, to increase the appropriations for salaries of clerks of circuit courts of appeals and district courts, their deputies, and other assistants, from \$1,400,000 to \$1,450,000.

The amendment was agreed to.

The next amendment was, on page 41, line 5, to increase the appropriation for bailiffs and criers from \$275,000 to \$300,000.

The amendment was agreed to.

The next amendment was, on page 41, line 11, to increase the appropriation for miscellaneous expenses, Department of Justice, from \$650,000 to \$700,000.

The amendment was agreed to.

Mr. UNDERWOOD. Mr. President, I understand that completes the committee amendments.

Mr. CURTIS. There are two amendments which have been passed over.

The VICE PRESIDENT. The Secretary will state the first amendment passed over.

The ASSISTANT SECRETARY. In the item under the heading "Post allowances for diplomatic and consular officers," on page 14, line 9, after the word "assigned" it is proposed to strike out "\$150,000" and insert "\$200,000."

Mr. ROBINSON. Let that be passed over for the present and proceed with other amendments.

The VICE PRESIDENT. The amendment will be further passed over in the absence of objection. The Secretary will state the next amendment passed over.

The ASSISTANT SECRETARY. Under the heading "International Boundary Commission, United States and Mexico" on page 15, line 15, it is proposed to strike out "\$25,913.50" and to insert "\$15,000."

Mr. ASHURST. Mr. President, that is an item that was passed over upon the suggestion of my colleague [Mr. CAMERON]. I inquire of my colleague if he is ready at this time to take up the matter?

Mr. CAMERON. I am ready, right now. Mr. President, I want to ask the Senate on page 15, line 15, to disagree to the Senate amendment, and strike out all after "\$25,913.50" down to and including the word "commission" in line 20.

The VICE PRESIDENT. The Senator from Arizona has stated two separate amendments.

Mr. ASHURST. Mr. President, if my colleague will yield to me, if I understand aright, he has moved to strike out on page 15, commencing with line 15, the word "Provided" on said line 15, and all of lines 16, 17, 18, 19, and 20. Am I correctly advised?

Mr. CAMERON. Yes.

Mr. ASHURST. Mr. President, I hope that motion will prevail; if my colleague will yield to me—

Mr. CAMERON. Certainly.

Mr. ASHURST. I believe a point of order will lie against that language. Therefore I make the following point of order—that the committee in violation of clauses 1, 2, and 3 of Rule XVI, has added new legislation.

Mr. CURTIS. Mr. President—

Mr. ASHURST. I yield to the Senator.

Mr. CURTIS. I think when the Senator realizes that this is an item that was put in in the House, he will see that a point of order will not lie against it in the Senate. The only thing we can do is to pass upon the amendment, and either agree to it or reject it.

Mr. ASHURST. If this language was inserted by the House I am of opinion that a point of order would not lie. The Mexican border is 1,400 miles long. I need not now recite any of the turbulent history of the Mexican border. We are striving for peace and friendship with our southern neighbor—Mexico. She is on her feet; her commerce is entering into the markets of the world. She is tranquil and orderly. By treaty with Mexico, executed on March 1, 1889, there was created the International Boundary Commission, and it was agreed that the United States and Mexico should each have and appoint one commissioner, one consulting engineer, and one secretary, but this bill refuses to appropriate money with which to pay the salary of the consulting engineer to be appointed by the United States. I admit that Congress can repeal a treaty, but here, with no explanation, this bill attempts to dislocate and disregard that part of the treaty by which we agreed to maintain a consulting engineer. The problems of the Mexican border are of dignity and importance to this country.

Mr. LODGE. Mr. President, do I understand the Senator to say we do not furnish a consulting engineer?

Mr. ASHURST. The language on line 16 says:

Provided, That none of this appropriation shall be used to pay the salary of a consulting engineer.

Mr. LODGE. Certainly; and then it goes on to provide for one. The treaty does not say that we must furnish a consulting engineer who is not an officer of the Army. It does not say how he shall be furnished or paid.

Mr. ASHURST. The Senator is correct.

Mr. LODGE. We furnish a consulting engineer, but we furnish an Army engineer. That is our business, since the treaty does not provide how he shall be furnished.

Mr. ASHURST. We can, of course, select some Army officer. The problems of the Mexican boundary are of importance and while I commend all efforts at retrenchment and reform this border treaty should be observed. We do not want a consulting engineer who will ruffle the papers and pass on to some other subject.

Mr. LODGE. Mr. President, we can appoint anybody we choose as consulting engineer under that treaty. If we choose to appoint an Army engineer we have a perfect right to do it under the treaty, and we are doing it in this provision. It does not concern Mexico the least in the world.

Mr. ASHURST. Will the Senator please explain why it is now necessary that the office should be practically abolished, and an Army engineer designated?

Mr. LODGE. The object, of course, is to save the engineer's salary.

Mr. ASHURST. To save the engineer's salary?

Mr. LODGE. Why, of course, and to have the duties performed by one of our Army engineers. There are no better engineers in the world.

Mr. ASHURST. In other words, the Mexican border or 1,400 miles, must be content to be served by a man who acts without salary for that particular duty.

Mr. LODGE. It would not make any difference if it was 14,000 miles long.

Mr. ASHURST. Fourteen hundred miles long; not 14,000.

Mr. LODGE. I say it does not make any difference whether it is 1,400 or 14,000 or 14. The point is that in carrying out the treaty we are required to furnish a consulting engineer, and we do. We do not need to have another one and pay him a salary.

Mr. ASHURST. We do not want the sort of man who is willing to serve without compensation.

Mr. LODGE. Does not the Senator think that any competent consulting engineer can be found except a civilian at a high salary? The Army engineers built the Panama Canal.

Mr. ASHURST. Very true.

Mr. LODGE. It has nothing to do with the treaty. It is a matter for us to settle.

Mr. CURTIS. Mr. President, if the Senator will yield to me, we can probably settle this. As far as I can, being in charge of the bill, I will accept an amendment, which I think will be agreed to, to strike out "\$15,000" and insert in lieu thereof "\$20,000," and to strike out the balance of the paragraph from the word "Provided" in line 15 to the word "commission" in line 20.

Mr. CAMERON. I will accept that.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. In the committee amendment on page 15, line 15, it is proposed to amend, in lieu of the sum proposed to be inserted by the committee, "\$15,000," by inserting "\$20,000."

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The ASSISTANT SECRETARY. It is also proposed to strike out the provisos beginning on line 15 after the numerals "\$20,000." The amendment was agreed to.

Mr. CURTIS. Mr. President, if the Senator from Arkansas is not ready to take up the committee amendment that was passed over, we can pass it over again and take up individual amendments.

Mr. ROBINSON. I suggested that a moment ago.

Mr. CURTIS. I was authorized by the committee to propose two amendments. I should like to offer them, if I may.

I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 45, after line 18, it is proposed to insert the following paragraph:

For construction of physician's residence, \$4,000.

And to change the total in line 19 by striking out "\$659,000" and inserting "\$663,000."

Mr. ROBINSON. What page is that?

The ASSISTANT SECRETARY. Page 44, after line 18.

Mr. CURTIS. I will state to the Senator that that is to build an official residence. There are some 2,700 prisoners there, and there are no accommodations for the physician on the grounds. He has to live in town and pay his own rent, and the street cars are not run at night, and with 2,700 inmates they frequently have illness at night that requires the attendance of a physician, and it is almost impossible to get him. This was recommended by the department and recom-

mended by the Budget, and was left out by the House. I should like to put it in and take it to conference.

Mr. ROBINSON. Very well. I see no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. On the part of the committee I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 38, line 7, after the word "subsistence," it is proposed to insert a colon and the following:

Provided further, That the Postmaster General or the coordinator of the General Supply Committee is authorized and directed, upon the approval of this act, if available, to deliver to the office of the United States marshal of the District of Columbia, without payment therefor, two passenger-carrying motor cycles.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, as it is understood that there is only one committee amendment pending, I ask that that be passed over until we dispose of the other amendments.

Mr. REED of Pennsylvania. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Senator from Pennsylvania offers an amendment, which the Secretary will read.

The ASSISTANT SECRETARY. On page 13, after line 7, insert:

To Leonore M. Sorsby, daughter and only child of William B. Sorsby, late envoy extraordinary and minister plenipotentiary of the United States to Bolivia, the sum of \$4,200 as reimbursement for extraordinary expenses incurred for medical attendance, nurses, hospital treatment, and transportation to the United States following a stroke of paralysis suffered by said William B. Sorsby at his post of duty, La Paz, Bolivia, from which he remained wholly disabled until his death.

Mr. REED of Pennsylvania. Mr. President, this amendment was added by the Senate to the deficiency appropriation bill last summer. It was stricken out in conference, but it has since been submitted to the House Committee on Appropriations and approved by them. It was omitted from this bill by an oversight, I am told. It has also been submitted to the Committee on Appropriations of the Senate, and I understand that it is satisfactory to them.

Mr. CURTIS. Mr. President, this item was added on the deficiency appropriation bill at a former session, which bill I did not have charge of, and I have not had time to look into it. I am perfectly willing, so far as I am personally concerned, to accept the amendment and let it go to conference and then look into it.

Mr. ROBINSON. Mr. President, I merely want to suggest that from the reading of the provision as submitted by the Senator from Pennsylvania it appears to be in the nature of a claim, and under the practice of the Senate such provisions usually have gone to the Committee on Claims. That observation would appear at first thought to have additional force in view of the new rule adopted by the Senate. There is a question, on the line of the proposal of the Senator from Pennsylvania, as to the authorization of this sum. It may be that no serious question is involved; nevertheless, the new rule of the Senate segregates authorizations from appropriations, and contemplates that the Committee on Appropriations shall confine its action to allowances of sums already investigated by other committees and authorized by act of Congress.

I do not want to put myself in the attitude of opposing the provision offered by the Senator from Pennsylvania if the Senator in charge of the bill states that the committee has investigated it and is satisfied that it should be included.

Mr. CURTIS. It was added to the deficiency bill of the previous session of Congress. I was not on the subcommittee in charge of that bill, and I do not know about it.

Mr. ROBINSON. It was added to that bill?

Mr. CURTIS. It was.

Mr. WARREN. That is correct.

Mr. ROBINSON. How is it that it is necessary to add it to this bill then?

Mr. CURTIS. It was stricken out in conference.

Mr. ROBINSON. That would seem to indicate that there is necessity for an authorization. If an Appropriation Committee once incorporated the item in a bill, and it went out in conference, it would seem to call for an investigation.

Mr. CURTIS. The Senator from Pennsylvania stated a moment ago that the matter had been presented to the House, and that certain members of the committee said that it had been left

out of the bill by mistake; that they had intended to take it up, but had not done so. With that understanding, I thought we could let the provision go into the bill and take it into conference.

Mr. ROBINSON. How does the Senator escape the effect of the rule which he so boldly and courageously championed and had the Senate adopt some time ago? Does the Senator intend now to commence the policy of relaxing that rule in cases the merit of which appeals to him, and of enforcing the rule in other cases where the merit does not appeal to him?

Mr. CURTIS. I have not passed on the merits of this matter, and I did not raise the point of order for the reason—

Mr. ROBINSON. The Senator knows that if he permits this provision to go into the bill without invoking the rule it will be a relaxation of the rule.

Mr. CURTIS. I fully realize that a point of order would lie against the amendment, and the Senator from Kansas did not raise the point of order simply because the item had gone through the Senate at a former session of Congress. I felt that as the Senate had accepted it then, I would hardly be justified in raising the point of order at this time. It is a claim, I think, and I believe it is subject to a point of order, but personally I do not care to raise it without knowing the facts.

Mr. ROBINSON. The Senator has given me the information I asked for. He now announces the policy of declining to invoke points of order under the new rule of the Senate in cases wherein he is satisfied merit exists.

Mr. CURTIS. Mr. President, I did not say that. I said I knew nothing about the merits of this case. I should have stated further that in the session of Congress preceding the last and in a number of Congresses—

Mr. ROBINSON. The Senator, of course, realizes that what happened in the Senate has no relationship to the rule of the Senate which denies to the committee the right to report an item of this nature.

Mr. CURTIS. But this item was not reported from our committee; it is offered upon the floor, and—

Mr. ROBINSON. I understand that fully.

Mr. CURTIS. Any Senator can make a point of order against it.

Mr. REED of Pennsylvania. Will the Senators permit me to explain my view of my own amendment? I do not think it is a claim. It is a gratuity, which has already been submitted to and approved by the Committee on Foreign Relations. If it were a claim, properly it should go to the Committee on Claims, but it is a gratuity, exactly of the same sort as those provided for in the paragraph which precedes the point at which I propose to insert this amendment.

Mr. SMITH. May I ask the Senator under what conditions did it fail to become a part of the bill in the House?

Mr. REED of Pennsylvania. It was passed upon by the Senate last summer in the deficiency appropriation bill. This claim should have been presented by one of the Representatives from Pennsylvania in the Appropriations Committee of the House. He was unable to be there in time; the bill moved with a great deal of speed, and while the committee had already passed upon the merits of the claim, as I understand it, it had not the item called to its attention before the bill was reported out of the committee in the House. It is an entirely meritorious case.

Mr. SMITH. So the House did not reject it; it just did not have the subject matter under consideration?

Mr. REED of Pennsylvania. That is exactly the case.

Mr. LODGE. Mr. President, I desire to say a single word at this point. This is not a claim; as the Senator from Pennsylvania has said, it is in the nature of a gratuity. A point of order undoubtedly would lie on the ground that it was not estimated for; but it has been the practice, where ministers and consuls have died at their posts of duty, to insert provisions in the diplomatic and consular appropriation bill giving their representatives six months' salary. It has been done repeatedly by the Senate, and this I take to be a precisely similar case. Undoubtedly it would be put out on a point of order, but I think it is a very deserving case. It was before my committee.

Mr. ROBINSON. Mr. President, I desire to say, as I stated in the beginning, that I do not elect to make the point of order. I merely wanted to define the practice of the Committee on Appropriations touching such matters.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer an amendment, which I ask to have read at the desk.

The VICE PRESIDENT. The Secretary will read the amendment.

The ASSISTANT SECRETARY. On page 12, line 17, after the figures "\$300,000," insert the following proviso:

Provided, That no part of said sum shall be paid for transportation on foreign vessels without a certificate from the Secretary of State that there are no American vessels on which such officers and clerks may be transported.

Mr. CURTIS. I am willing to accept the amendment.

Mr. McKELLAR. Then I will not say what I was about to say in regard to it.

The amendment was agreed to.

Mr. LODGE. I offer the following amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 2, lines 3 and 4, strike out the words "counselor for the department," and insert in lieu thereof the words "Undersecretary of State."

The amendment was agreed to.

The VICE PRESIDENT. There remains to be acted upon the first committee amendment.

Mr. UNDERWOOD. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 36, after line 6, insert the following paragraph:

For printing and binding for the Court of Claims, \$35,000.

Mr. UNDERWOOD. Mr. President, if I may have the attention of the Senate for a minute, there is really no money involved in this amendment, because should the amendment be adopted it will be necessary to strike \$35,000 out of the bill in another place. It is only that I stand for maintaining the action of the judiciary independent from the executive departments.

If Senators will turn to page 33 they will see the appropriations in the bill for the salaries, and so forth, for the Supreme Court, from lines 14 to 19. Then, on line 20, they will see, "for printing and binding for the Supreme Court of the United States, \$21,000," and then there is a provision for some other printing and binding.

If Senators will turn to page 35 they will find the provision for the salaries of the Court of Claims, and heretofore there has always been a provision for the printing and binding for the Court of Claims, but the committee at this time have stricken out the provision for printing and binding for the Court of Claims, where it was controlled by the Court of Claims, and have inserted it under the Department of Justice.

Mr. CURTIS. The Senator, of course, means that that was done in the House and that the committee of the Senate agreed to it.

Mr. UNDERWOOD. Of course; it is a House provision. If it were a Senate committee provision, I think it might be subject to a point of order and I would make the point, because it is a change of existing law without being reported by the Judiciary Committee of the Senate.

The Committee on Appropriations is now proceeding to change existing law, but as it was changed in the House of Representatives and came over here tied in the bill by the House of Representatives, I can not make the point of order. All I am saying is that the Committee on Appropriations of the Senate have agreed to it.

Mr. President, there is not a dollar involved. Of course, if this amendment of mine is adopted, then I have no doubt the committee will go back to the item making appropriations for the Department of Justice and strike \$35,000 from that appropriation.

I do not understand why Senators of the United States insist that one of the great courts of this land, the court of the people of the United States, shall be treated as a side show to some other institution.

Except for the limited jurisdiction of the district courts, into which the people may go for small claims, the people of the United States have only one court in this land that belongs to them, and that is the Court of Claims. The Government can not be sued except by its consent, and we have set up the Court of Claims in order that citizens of the United States who have claims against the Government may go into that court and establish their claims. It is the court of the people of the United States, and it should be respected and treated as such. It is not a side show for the Department of Justice to determine whether it will allow claims or not. It is a court, and the plaintiff in that court is entitled to as much recognition and standing as the defendant, the Government of the United States.

I realize that those who desire to make the change say that it does not mean anything; that all the printing and binding to be done by the Court of Claims would be promptly O. K'd by a subordinate clerk in the Department of Justice whenever the clerk of the Court of Claims sent down what the court wanted done in the way of printing and binding, and I have no doubt probably in most cases it would be done. But the great delay in this court does not come from the court itself. It is not that the court does not dispatch its business. The court itself is up with its business. The trouble in the Court of Claims is that the Department of Justice does not prepare its cases. The delays occur in that branch of the Department of Justice which handles claims.

Whenever a case is submitted to the court, it is decided by the court in a few weeks, but the delays the people of the United States have in the Court of Claims come from the Department of Justice itself in preparing the cases ready for submission to the court. How can a case be prepared unless there are printed the briefs and testimony and the other necessary printing required by the court? I am not going to charge that the Department of Justice would delay the consideration of a case or that the Attorney General and the men who control the Department of Justice would delay the trial of a case by postponing the printing; but the Attorney General and his assistants and those high up would have very little to do with it, and when somebody got pressed in the preparation of a claim it would be easy to have a subordinate of the Department of Justice question the printing bill.

It is said that that would not be done. Well, it might not be done, but this is an independent court. One might as well say that the Department of Justice shall determine when the clerk shall report and open the court as to say that the judges themselves can not determine when their printing bills shall be paid.

Mr. SMITH. Mr. President, may I ask the Senator from Alabama what economy would be worked by any such indirect procedure or what expedition of business would be brought about by it?

Mr. UNDERWOOD. There is no economy that I know of, because I understand it was said in the hearings that \$35,000 would be paid out whenever the clerk of the Court of Claims asked the Department of Justice for it. If the amendment which I have proposed is agreed to they can not ask for more than \$35,000. If there was going to be any economy outside of that limitation by law, the Attorney General could tell the Court of Claims that they could not print his brief. That is all there is to it.

There is no economy that is proposed to come out of the proposition, because all the printing goes to the Public Printer, and costs exactly the same. It is just a question of the Department of Justice viséing the right of the Court of Claims to act. That is all there is in the matter. It is a reflection on the judiciary of the land. It is an attempt to give an executive department of the Government the right to control the functions of one of the great judicial courts of the land, and I say it is wrong; it is improper; and it means in the end no economy.

Suppose it did mean two or three thousand dollars economy, which it will not; are we going to invade the jurisdiction of the court, its right and standing before the community as an independent court, for the purpose of saving two or three thousand dollars, when it will not really save a cent if a statement in the testimony coming from the Department of Justice is correct that they are not going to visé it? On the other hand, if they do visé the question then the judges of the court would have to go with bated breath and ask one of the litigants in the court whether they could print the testimony in order that the other litigants might proceed to business. That is what is proposed, and it is in my opinion entirely without justification.

Mr. SMOOT. Mr. President, I think the Senate ought to know the reason why the House pursues this policy and intends to do it in the future, if, of course, the Senate agrees. Every appropriation bill hereafter will have but one item for printing under a department. In the past every bureau and every division of every department and every independent establishment in the Government has had a separate item for printing in the appropriation bills. They have spent the money for printing in their own way. There has been no special estimate made for it other than simply the amount that they desired.

Mr. UNDERWOOD. Will the Senator allow me to ask him a question?

Mr. SMOOT. Certainly.

Mr. UNDERWOOD. Does not the Senator draw any distinction between the bureaus of a department under an executive head of the Government and a court that is independent of the executive departments?

Mr. SMOOT. I will come to that in a moment. The only change from that policy that has been adopted by the Budget or placed in an appropriation bill for the maintenance of the departments was in the item for the printing for the Supreme Court of the United States. I see no objection at all to giving \$35,000 to the Court of Claims. It will not make one penny of difference. It is only a question of having a direct appropriation for the Court of Claims the same as is made for the Supreme Court of the United States. It would be taken off the item of \$200,000 appropriated for the printing for the Department of Justice.

Mr. UNDERWOOD. I agree with the Senator; I do not think it will effect a dollar's difference in the Treasury; but why should we make the Court of Claims go with hat off and humble knee to the Department of Justice and ask if they can proceed to business? There is no reason in the world for it.

Mr. SMOOT. The estimate was made by the Budget Committee just as the bill carries it now. In the amount of \$200,000 provided for printing in the Department of Justice one of the items—and there are about 20 or 25 of them—was \$35,000 for the Court of Claims. The House made the appropriation in conformity with the Budget report. I do not think there will be any hesitancy on the part of the House in agreeing to the amendment of the Senator from Alabama, but there was the idea in view that we could turn to an appropriation bill at any time in the future and by looking at one item of printing tell what was the amount of money that had been appropriated for the printing for that department. That is all there is to it.

Mr. UNDERWOOD. Right there, if the Senator will allow me, is where I object. The Senator spoke of the appropriation for printing for the department, but I insist that the Court of Claims is no more a part of the Department of Justice than is the Supreme Court of the United States, and it ought not to be considered as a part of that department.

Mr. SMOOT. The Senator could say that of every independent establishment.

Mr. UNDERWOOD. No; the Constitution of the United States recognizes the distinction between the executive departments of the Government and the judicial departments of the Government.

Mr. SMOOT. I realize that, but that is not what I meant.

Mr. UNDERWOOD. The court is set up to protect the people of the United States in the presentation of their claims. I seriously object to the Department of Justice having any hand in controlling its action.

Mr. SMOOT. Of course, the Department of Justice would never do it.

Mr. UNDERWOOD. Probably it would not, but it ought not to be allowed to have the opportunity to do it even on paper.

Mr. SMOOT. It is a mere formality, and that is all.

Mr. CURTIS. Mr. President, I wish to state that what influenced me in the matter was the fact that the estimates for the Court of Claims have been going to the Treasury Department and the Bureau of the Budget, since that bureau was organized, through the Attorney General's office, and it was the idea of the Bureau of the Budget, I understand, to get the items affecting the same class of work into one appropriation. For that reason this item was put in with the others. There was no intention to revise or change the practice that has always been followed, and, as I have showed to the Senator from Alabama in the hearings on page 196, it was stated that it was not the intention in any way to try to control the printing of the court. I will state that so far as I am concerned, as the Senator in charge of the bill, I have no objection to the amendment of the Senator from Alabama.

Mr. JONES of New Mexico. Is the matter now to come to a vote?

Mr. CURTIS. I said that so far as I am concerned, I am willing to accept the amendment, and I hope there will be no objection raised to it.

Mr. JONES of New Mexico. Mr. President, I simply desire to express my hope that the amendment will be agreed to. There is absolutely no economy in the way the bill reports these appropriations. On the other hand, it will incur an additional expense. If, as the witness testified in the House hearings, the Department of Justice does not intend to control the expenditures of the Court of Claims, then the question simply involves the additional expense of having some clerk in the Department of Justice O. K. the vouchers which may be presented by the Court of Claims.

I certainly agree with everything the Senator from Alabama has said. The clerk of the Court of Claims came before the Committee on Appropriations yesterday and protested vigor-

ously against the arrangement which was made in the bill as it passed the House. Of course, I shall take up no further time if the Senator in charge of the bill is willing to accept the amendment.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The question is upon agreeing to the amendment proposed by the Senator from Alabama [Mr. UNDERWOOD].

The amendment was agreed to.

Mr. CURTIS. In view of the amendment just agreed to, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 28, line 21, strike out "\$200,000" and insert in lieu thereof "\$165,000," so as to read:

For printing and binding for the Department of Justice and the courts of the United States, \$165,000.

The amendment was agreed to.

Mr. CURTIS. In order to correct a clerical error in the printing of the bill I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Kansas will be stated.

The ASSISTANT SECRETARY. On page 34 it is proposed to strike out line 20 and to insert in lieu thereof the following:

Porto Rico: District Judge, \$7,500.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LODGE. I think that is not really an amendment, but is merely to correct a mistake in printing.

The PRESIDING OFFICER. The correction will be made.

Mr. LODGE. I have an amendment which I desire to offer to come in on page 6, line 16.

The PRESIDING OFFICER. The amendment proposed by the Senator from Massachusetts will be stated.

The ASSISTANT SECRETARY. On page 6, line 16, after the word "citizens," it is proposed to insert the words "when-ever hereafter appointed."

Mr. OVERMAN. I should like to have the Senator from Massachusetts explain that amendment and what it proposes to do.

Mr. LODGE. Mr. President, the case is a very simple one. The provision in the bill, which is a very proper one, indeed, requiring the clerks to be Americans and to be appointed under civil-service rules and regulations, will compel the dismissal of five valuable foreign clerks who have served this Government for many years in the missions at Berlin, Berne, Madrid, Buenos Aires, and Quito, and to whom it would work great hardship. My amendment is proposed simply for the purpose of permitting those clerks to be retained.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the committee amendment which was passed over.

The ASSISTANT SECRETARY. The committee amendment passed over is on page 14, line 9, after the word "assigned," to strike out "\$150,000" and insert "\$200,000," so as to make the clause read:

To enable the President, in his discretion, and in accordance with such regulations as he may prescribe, to make special allowances by way of additional compensation to diplomatic and consular officers and consular assistants and officers of the United States Court for China in order to adjust their official income to the ascertained cost of living at the posts to which they may be assigned, \$200,000.

Mr. ROBINSON. Mr. President, since this amendment was before the Senate I have taken occasion to read all of the testimony which is available in justification of the appropriation. I shall not now repeat the suggestion made when the item was previously before the Senate relative to the policy involved in lump-sum appropriations and the fixing of official salaries by the Executive. That policy is condemned by both the Senator from Kansas [Mr. CURTIS] and the Senator from Utah [Mr. SMOOT]. Their statements, however, in justification of this proposed increase are much more persuasive than is the testimony in the record; and yet I apprehend that their information is derived exclusively from the record.

Mr. CURTIS. No, Mr. President; I thought I stated to the Senator that upon yesterday we sent for Mr. Carr, who is in charge of this work, and heard him very fully before our committee, and the subcommittee, Republicans and Democrats alike, after hearing him fully were unanimously of the opinion that this increase ought to be made.

Mr. ROBINSON. If the Senator from Kansas made that statement, I did not hear it.

Mr. CURTIS. I intended to make it, and I thought I had made it.

Mr. ROBINSON. In any event, the hearings before the Senate committee are not available for the consideration of the Senate. The testimony submitted before the House committee is found at pages 14 and 15 and 53 and 56, inclusive, of the House hearings on the bill. The justification for Executive increases of these salaries is principally based upon the condition of foreign exchange in the countries where these Government representatives live. My understanding has been that, as a rule, a depreciation of foreign money operates to diminish the cost of living of persons who are paid in United States money. I know that is true in Germany, where the mark has a very low value compared with its normal value, and I have found that to be true in other foreign countries where the money of the foreign government involved is depreciated as compared with American money. So the depreciation of foreign exchange would give the American representative who is paid in United States money an advantage in the matter of the cost of living and instead of being a justification for an increase in salary might, under some circumstances, be accepted as a justification for a diminution of salaries.

The statement of Mr. Carr is, however, exceedingly indefinite. I do not understand why some committee of the Senate or of the other House, intrusted with the consideration of the matter, has not asked for an itemized statement of the expenditure of the fund during previous years. An itemized statement of the expenditure would give definite information as to how the executive authorities have adjusted the compensation of these various employees.

The information that is furnished the Senate in the hearings before the House committee—and I have had no opportunity of seeing the hearings before the Senate committee; those hearings were held only on yesterday and I presume have not yet been printed—the information that is available is of the most general character. It is so indefinite as to affect only the conclusions of the witness rather than the facts upon which the witness reached his conclusions. All Senators know the value of definite and detailed information in so far as the same may be calculated to affect the expenditure of Government money.

Mr. CURTIS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. I have not had time to go over the statement and itemize it, but we have a statement showing the allowances made and the officials to whom they were made. I suppose it was not printed in the report because it is in the Budget.

Mr. ROBINSON. But the Budget was not followed by either committee.

Mr. CURTIS. Yes; the Budget was followed by the Senate committee; we followed the estimate of the Budget.

Mr. ROBINSON. Did either the House committee or the Senate committee follow the estimate of the Budget?

Mr. CURTIS. The Senate committee did, but the House committee reduced the estimate by \$50,000. The Senate committee increased the appropriation by the House \$50,000 and put it back to the Budget recommendation.

Mr. ROBINSON. What was the amount appropriated last year?

Mr. CURTIS. It was \$200,000.

Mr. ROBINSON. And the amount requested by the department was \$200,000 this year?

Mr. CURTIS. Yes; and the amount recommended by the Budget this year is \$200,000, which is the sum the Senate committee allowed.

Mr. ROBINSON. The Senate committee followed the Budget but the House committee declined to follow the Budget and recommended a reduction of the amount by \$50,000.

Mr. CURTIS. Yes.

Mr. CARAWAY. May I interrupt the Senator?

Mr. ROBINSON. Certainly.

Mr. CARAWAY. Is it the contention that the cost of living is increased because of high exchange rates?

Mr. SMOOT. Yes; as to certain countries.

Mr. CARAWAY. As to what countries?

Mr. SMOOT. China is one country where living is very expensive. Then there may be mentioned Tampico, Mexico; Colombo, Ceylon; and Johannesburg, South Africa. The consuls at the places indicated receive a post allowance of \$1,500, and to certain consuls in Brazil and other countries in South America an allowance of \$1,200 is made.

Mr. ROBINSON. That is a proposition that I was coming to. It may be and probably is true that the salaries and the allowances as fixed by the legislative department are too small;

it may be that there is justification for an increase in salaries; but, as I said earlier this morning, such increases ought to be made in specific instances where the Congress finds the necessity to exist, and the duty ought not to be imposed upon the President and be by him relegated to some person in the State Department whose interest, of course, is identical with or inseparable from the interests of those who desire the increase.

I have no sympathy with any penurious policy on the part of this Government toward any of its employees; but I do object to the practice of perpetuating lump-sum appropriations for the payment of increases in salaries at the discretion of the Executive; not that I am lacking in confidence in the President in that particular but that the President has nothing whatever to do with the actual discharge of that duty, and it must be done by some subordinate upon whom the responsibility can not definitely be located.

The testimony in the record is exceedingly indefinite and lacking in detail. On page 53 the question was asked by Mr. HUSTED:

How have the exchange conditions affected the necessity for this?

To that question Mr. Carr replied:

Well, I do not see any signs of it becoming any cheaper for an officer to live. In some places exchange has gone down, but prices have not gone down; in other places exchange has gone up, and prices have in some cases followed it; and in other cases they have not followed it. The sum total of it is, as far as I can make out, that it is at least as expensive to live now as it was last year.

I point out that that statement is just as applicable to officers of the Government living in the United States as it is to diplomatic employees of the Government of the United States who reside in foreign countries; in fact, it is even more applicable. So that the argument breaks its force in that it becomes general and not definite.

So far as index numbers are concerned, the index number in the United States is higher, I believe, if I remember correctly, than it was this time last year.

There he makes the point that in the United States the cost of living has gone up during the last year, and therefore the salaries and allowances should be increased.

In England, I think, it is about the same. Of course, in Germany it has gone very high. I believe in Japan, if I remember correctly, it is about what it was. I have not made any tables, such as I presented last year, of the purchasing power of the dollar, etc., because the statistics on their face seem to bear out the statement I have just made to you.

I am going to put in the RECORD all of the statement of this witness, because I think it fair to him and to the department that it be incorporated in the RECORD, but I call attention particularly to a further statement, as follows:

Mr. HUSTED. We went into this quite carefully last year, and we came to the conclusion that it was pretty difficult to determine the amount of increase which should be given to the representative at any particular post.

Mr. CARR. Well, there certainly is no scientific method devised by which it can be done to satisfy everybody. In a matter of this kind it is a question of using one's best judgment. There is no formula that can be applied, as in the case of some scientific adjustment. We have to take into consideration the men's own statements as to what the prices are in their regions. Those statements are supported by documentary evidence wherever possible, as to the local prices, and the Government statistics, and the Government price index numbers. Then, in that connection we use the Federal Reserve Bulletin and its comparative price levels in all the different countries, and the Federal Reserve Bulletin statements of exchange rates in the different countries. The result obtained in that way is modified by the judgment of what you want done. Conceivably, in one place a man, if he were held down to a low compensation, might not be able to accomplish the things that we want done. So that might make a change in some few individual countries. But from that statement you will see that in a matter of this kind there is no hard-and-fast formula that can be designed which will fit every case of post allowance. I think the post allowance is very necessary. For my own comfort, I wish it had never existed.

There is a statement that in determining the amount of these allowances the department takes into consideration what it desires to accomplish; in other words, it determines the question of policy, and that determines the amount of the allowance to be made out of this lump-sum appropriation. It, therefore, gives evidence to the necessity for more definite action upon the part of the committees of Congress which deal with this matter.

I ask unanimous consent to have printed in the RECORD at this point the testimony of Mr. Carr, to which I have referred.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

POST ALLOWANCES.

Mr. HUSTED. Now, the item for "Post allowances to diplomatic and consular officers," I see, is the same as the appropriation for last year, which is \$50,000 less than the appropriation for the year before.

Mr. CARR. Yes, sir.

Mr. HUSTED. How have the exchange conditions affected the necessity for this?

Mr. CARR. Well, I do not see any signs of it becoming any cheaper for an officer to live. In some places exchange has gone down, but prices have not gone down; in other places exchange has gone up, and prices have in some cases followed it; and in other cases they have not followed it. The sum total of it is, as far as I can make out, that it is at least as expensive to live now as it was last year. So far as index numbers are concerned, the index number in the United States is higher, I believe, if I remember correctly, than it was this time last year. In England, I think, it is about the same. Of course, in Germany it has gone very high. I believe in Japan, if I remember correctly, it is about what it was. I have not made any tables, such as I presented last year, of the purchasing power of the dollar, etc., because the statistics on their face seem to bear out the statement I have just made to you.

Mr. HUSTED. Who gets this \$1,500 increase in salary out of this fund?

Mr. CARR. I can not tell you that from memory. I can give you the places, but not the names.

Mr. HUSTED. That is all I want; not the names.

Mr. CARR. I can give you that. The consuls at Tampico, Mexico; Colombo, Ceylon; and Johannesburg, South Africa, receive post allowances of \$1,500 each, because they are junior officers whose salaries are inadequate for their expenses in these unusually expensive posts. Likewise, for a time the consul at Penang received a post allowance of \$1,500, until he won a promotion in class, which enabled the department to reduce his post allowance. Similarly two vice consuls of career stationed at Buenos Aires receive post allowances of \$1,500. The district is an unusually expensive one and these young men are married and could not live there in a respectable manner without an additional allowance. The consuls at Vladivostok, Chita, and the vice consul of career at Santos, Brazil, receive post allowances of \$1,200 each, because of the high cost of living at those posts and of the additional facts that the men are junior officers with low salaries and are married and have families. It is to be understood that in the case of transfer from the posts where they are now stationed the officers would not carry with them the same post allowances, if, indeed, they would carry any at all.

Mr. HUSTED. We went into this quite carefully last year, and we came to the conclusion that it was pretty difficult to determine the amount of increase which should be given to the representative at any particular post.

Mr. CARR. Well, there certainly is no scientific method devised by which it can be done to satisfy everybody. In a matter of this kind it is a question of using one's best judgment. There is no formula that can be applied, as in the case of some scientific adjustment. We have to take into consideration the men's own statements as to what the prices are in their regions. Those statements are supported by documentary evidence, wherever possible, as to the local prices, and the Government statistics, and the Government price index numbers. Then, in that connection we use the Federal Reserve Bulletin and its comparative price levels in all the different countries and the Federal Reserve Bulletin statements of exchange rates in the different countries. The result obtained in that way is modified by the judgment of what you want done. Conceivably, in one place a man, if he were held down to a low compensation, might not be able to accomplish the things that we want done. So that might make a change in some few individual countries. But from that statement you will see that in a matter of this kind there is no hard-and-fast formula that can be designed which will fit every case of post allowance. I think the post allowance is very necessary. For my own comfort, I wish it had never existed.

Mr. HUSTED. I can understand that. You do not think the time has arrived when we can wipe that appropriation out?

Mr. CARR. No, sir; I do not. I think it would be a most unfortunate thing to reduce that appropriation \$1 below what it is now.

Mr. HUSTED. Do you not think the men that are getting these post allowances are better off than they were under the old salaries?

Mr. CARR. No; they are not as well off.

Mr. HUSTED. Does not the increase more than offset the advance in living cost?

Mr. CARR. No; the increase does not reach the living cost.

Mr. HUSTED. You do not think it does in any case?

Mr. CARR. I would not say it does not in any case. Conceivably, there may be cases in which it does; but as a general proposition, I am certain the salary plus the post allowance does not put the men in the position in which they were in 1914 or anywhere near it.

Mr. HUSTED. What effect does the payment of these post allowances have upon the morale of the service where they do not receive any post allowance?

Mr. CARR. Of course, there is dissatisfaction among men, as there is bound to be dissatisfaction in any organization, whether it is on account of distribution of post allowances or on account of distribution of office-expense allowances or of promotions in the service. You can not administer anything in a way that will satisfy everybody in which there is the element of judgment involved.

Mr. HUSTED. Do you pay any part of this fund to ministers?

Mr. CARR. No.

Mr. HUSTED. You pay it to secretaries?

Mr. CARR. We pay it to diplomatic secretaries, to consuls general, to consuls and vice consuls of career.

Mr. HUSTED. What is the highest salaried man that receives a post allowance?

Mr. CARR. The highest-salaried men that receive post allowances are Mr. Gale, consul general at Hongkong; Mr. Cunningham, consul general at Shanghai; and Mr. Hurst, consul general at Habana. Those are special cases where the men on assignment receive a grade salary less than the salary usually paid to the man at that place and where the living expenses are extraordinarily, and abnormally high. For example, we have been paying a post allowance of \$1,000 to Mr. Hurst in Habana, whose salary is \$6,000. That is because of the peculiarly high cost of living in Habana at the present time, and because of the fact that usually the officer there has been an \$8,000 man. The same is true in Shanghai, where the consul general receives an allowance of \$600. That is true also of Hongkong. The officers usually assigned to those posts are \$8,000 men.

Mr. HUSTED. But most of it is paid to the low-salaried men?

Mr. CARR. Yes. That has always been the case. The major part of the post allowance has been confined to low-salaried men.

Mr. ROBINSON. Mr. President, I repeat that my sympathy goes out to the representatives of this Government in a foreign

land; I would be the last member of this body to stand on this floor or anywhere else and advocate any policy which would work injustice or oppression to any representative of our flag wherever uplifted, but underlying this appropriation is a policy that can not be justified.

This bill contains many lump-sum appropriations. There is, for instance, the appropriation of an additional sum of \$500,000 for the prosecution of war frauds, that sum to be expended absolutely at the discretion of the Attorney General of the United States. Congress has very little, if any, knowledge of what use has been made of the \$500,000 appropriated last year for this purpose. Certainly no Senator or Representative would rise in his place and oppose any appropriation necessary or justified for the exposure and for the punishment of fraud or crime against the Government of the United States; but therein lies the danger in lump-sum appropriations. No details are given, substantially no information is furnished to the Congress of the United States, as to what use is to be made of the enormous sum, and very little information is furnished the Congress as to what has been done with the \$500,000 heretofore appropriated.

The object of the appropriation, of course, is laudable. The detection and prosecution of fraud and crime against the Government of the United States must be commended; but the Congress ought to know that the funds that it appropriates for this laudable purpose are being wisely and properly expended. We ought to ascertain, so far as such information may be consistent with the public interest, what use has been made of the \$500,000 of public money appropriated last year to be expended absolutely without limit or restriction at the dictation of the Attorney General. Five hundred thousand dollars is a large sum of money. I have no information upon which to base an assertion that any part of that fund has been wasted; neither have I any information upon which to base the conclusion that the fund has been wisely, fairly, or justly expended. Five hundred thousand dollars was appropriated last year, \$500,000 is appropriated in this bill for the prosecution of war frauds; and, so far as I know, so far as the information goes, the results thus far accomplished have been the effectuation of an organization in the Department of Justice for the supervision of the activities of the district attorneys of the United States and for the institution of suits.

Of course, we all realize that the questions involved in such prosecutions are necessarily complicated, that investigations designed to expose crimes of the nature contemplated by the suits heretofore brought by the Attorney General present difficulties, and I have no disposition to withhold from the Government of the United States any dollar that is necessary to expose and punish any criminal who, when this country was in peril, wrongfully and unlawfully sought to enrich himself at the risk of endangering his fellow countrymen.

I can not find language adequate to express the indignation that all loyal citizens feel toward persons who robbed the Government, if such exist, when they ought to have rendered their services in patriotic spirit; but why is it that we do not know what conditions make necessary this extraordinary annual contribution of \$500,000 to be expended by an executive officer, the only restriction being as to the purchase or furnishing of buildings, and perhaps one or two other unimportant restrictions?

Reverting now to the amendment immediately under consideration, the House committee heard the same witnesses that the Senate committee heard. I have not the slightest doubt that the item adopted at the other end of the Capitol was influenced by the desire to eliminate lump-sum appropriations of this character and to get back to the basis of the adjustment of salaries by congressional rather than by executive action. While I have no disposition further to delay the Senate in the consideration or determination of the matter, I do not find from the record as submitted to me persuasive proof that the increase carried by the Senate committee amendment is justified, and I shall vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 14, line 9.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I understand that the Senator from Kentucky [Mr. STANLEY] has an amendment which he desires to offer. I want to state that I have not had time to look into it. If the Senator will offer it, if it is in the nature of a gratuity, as was the one offered by the Senator from Pennsylvania [Mr. REED], I shall be perfectly willing that it go to the committee of conference, and have the Senator submit to the conferees upon the part of the Senate any data he may have which we may use in conference to sustain the amendment.

Mr. STANLEY. Very well. Mr. President, I offer the amendment which I send to the desk, to come in after the amendment offered by the Senator from Pennsylvania and agreed to.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. Following the amendment heretofore agreed to, on page 13, after line 7, it is proposed to insert the following:

For Louise Carroll Masterson, widow of William W. Masterson, late consul to Plymouth, England, \$4,500, one year's salary of her deceased husband, who died while at his post of duty from illness incurred in the Consular Service.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask unanimous consent that the Senate resume the consideration of House bill 12817, the shipping bill.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. FLETCHER obtained the floor.

Mr. HARRISON. Mr. President, if the Senator will yield, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Harris	Nicholson	Smoot
Bayard	Harrison	Norbeck	Spencer
Brookhart	Heflin	Norris	Stanley
Calder	Jones, Wash.	Overman	Sterling
Capper	Kendrick	Page	Sutherland
Caraway	Keyes	Phipps	Townsend
Curtis	Ladd	Pittman	Trammell
Dial	La Follette	Pomerene	Underwood
Dillingham	McCumber	Ransdell	Wadsworth
Ernst	McKellar	Robinson	Walsh, Mass.
Fletcher	McKinley	Sheppard	Walsh, Mont.
George	McNary	Shortridge	Warren
Glass	Nelson	Simmons	Weller
Harrell	New	Smith	Williams

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, a quorum is present.

Mr. BROOKHART. I submit an amendment intended to be proposed by me to the pending bill. I ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

Mr. FLETCHER. Mr. President, when we reached the point of adjournment yesterday afternoon, I was approaching some further questions raised by the Senator from Washington, and among them I might refer very briefly to one statement he made in connection with the consequences of the absence of merchant ships under the United States flag at the time of the breaking out of the war. He observed, as I recall, that one result was that cotton went down to something like 6 cents a pound. It is not very material in this connection, but for the sake of having the matter placed historically right it seems to me it is worth while to observe that the cause of the low price of cotton was not the absence of ships at that time but it was the fact that the war had broken out in Europe and the demand for American cotton had for a time been suspended.

I remember perfectly well, being in Europe at the time war was declared, that the general opinion over there—and when I reached the United States the general opinion here—was that that war would not last over four or five months. It was believed that the countries involved would be bankrupt by that time, and financially and otherwise exhausted, and that therefore it must end within four or five months. England had very good stocks of cotton on hand, Germany had some cotton, France had quite a good supply of cotton, and the market for American cotton fell down; hence the price dropped. It was not so much the absence of shipping facilities as it was a combination of economic conditions as the result of the declaration of war. Those countries undoubtedly felt that they could cease buying for the present and would be able to come into the market just before their supplies were exhausted—and they would not be exhausted ordinarily within four or five months. So they did not attempt to buy the cotton.

It must be remembered, too, that a ship, say, of 8,800 gross tons, has a cargo capacity of about 7,000 tons of freight. It takes 4 bales of cotton to make a ton, so that a ship of that size could carry 25,000 bales of cotton. It does not take many ships to carry the cotton to supply the markets possible to develop, particularly at that time. These bales of cotton are always compressed and shipped in that compressed condition, so that the ship can carry a great many bales of cotton. Ten to twenty thousand bales of cotton is not a large estimate for one of the ordinary cargo ships. That was the condition, and that unquestionably had to do with the low price of cotton. There were no more ships available for the movement of cotton when the price was 30 cents a pound than there were available when the price was 6 cents a pound.

As to the movement of our troops, it is true that none of these ships were actually constructed in our yards in time to take any material part in the movement of troops, but we requisitioned ships in pursuance of the law, and those requisitioned ships, those ships which were in process of construction and were completed, did take a very material part in the movement of our troops, and especially in the movement of supplies.

It was, however, to be expected that the countries to whose relief we were going made no sacrifice, were extremely anxious, on the other hand, to supply the necessary ships to bring our troops to their assistance. I think the figures referred to by the Senator from Washington are scarcely accurate as to the participation of American ships, both in the movement of supplies to Europe and the return of our soldiers after the armistice.

It will be recalled, too, that there was very urgent and very proper demand not only by every politician in the country but by the mothers of the country that our troops should be hurried home at the very first opportunity, and the administration would have been most severely criticized if they had not availed themselves of foreign ships and every sort of means of bringing the boys home.

Mr. W. J. Love, vice president of the Emergency Fleet Corporation of the present Shipping Board, testified at the hearings before the Appropriations Committee of the House, which had under consideration H. R. 9981, making appropriations for the Executive and for sundry executive bureaus, boards, commissions, and officers for the year ending June 30, 1923, as follows:

We transported overseas 2,104,230 of our troops, of which 951,803 were transported across in American bottoms, and of the 2,057,269 brought home, 1,785,379 were brought home in American vessels.

Of course, in addition to our troops, a tremendous amount of supplies for our troops and the Allies were transported overseas, and likewise a large amount of equipment and supplies were brought back in our ships.

Furthermore, in a speech delivered at Charleston, S. C., before the annual meeting of the South Atlantic Ports Association, November 15, 1920, Admiral Benson declared as follows:

Think of the farsighted policy which brought about the shipping act in the latter part of 1918, which piece of legislation made possible the huge undertaking that helped in a large measure to solve some of the most trying situations this world ever faced. The shipbuilders of the United States made possible the carrying overseas of approximately 95 per cent of the supplies for the American fighting forces at the front. More than 900,000 men went across in American bottoms.

I submit that these figures are scarcely in harmony with the statement furnished by the Senator from Washington upon that question.

The Senator challenged specifically three statements in the minority views on this bill, and I wish to refer to those. The first was with regard to the losses arising from ship operations being indefinite and uncertain. The report said:

Regarding the alleged losses now experienced by the Shipping Board from operations, we have no accurate data.

The Senator expressed some surprise at such language as that in view of the CONGRESSIONAL RECORD of November 25, 1922, which, at pages 225-226, carried a statement by Mr. P. Sinclair, comptroller of the Shipping Board. It will be recalled that Mr. EDMONDS, who attaches the statement as a part of his speech, had leave to print, and this did not appear in the RECORD at the time of Mr. EDMONDS's speech, but appeared some days later. When the minority report was actually written I confess that I do not recall having seen the speech in the CONGRESSIONAL RECORD to which I have referred. I did see it, however, before the report was filed, and I saw no reason for revising the language. It does seem to me now, upon a careful examination of the letter and the statement, that the language of the report is not only correct but is rather mild in giving out the thought that there was not accurate data before

any committee of Congress or before Congress as to the actual losses suffered by the Shipping Board in the operation of the ships. I submit that any reasonable man who will read the letter of the comptroller must reach the conclusion that two-thirds or three-fourths of it comprises mere estimates, mere guesses, which are based upon possible conditions that may arise in the future. It is full of "ifs" and "ands." "If" freight rates continue to decline, then the losses for the next six months must be increased so much. "If" passengers cease to travel on our ships, then the losses in the next six months must be increased so much. "If" this or that happens, we must reasonably expect that the losses will be so-and-so. But the figures finally reached of \$50,000,000 a year loss are based upon those "ifs," those conditions, and not upon actual experience.

I have tried in every way I could to get the actual figures as to the losses. When the bill was under consideration and the hearings were being held by the committees of the House and Senate, efforts were made by the minority Members to have the operating agents produce itemized statements of their earnings and expenses and submit them to the committees in order that we might have the information upon which to base calculations as to the exact losses or gains in the operation of the ships, and where and how the losses were taking place, if there were any such. But we were unable to get the agents there. We were met with a refusal to summon the operating agents and have them make the statement. The information was denied us, and now we are furnished with this statement appearing in the CONGRESSIONAL RECORD.

Let us consider that statement for a moment. It is addressed to Hon. GEORGE W. EDMONDS, House of Representatives, and is dated Washington, November 24, 1922, and reads:

Pursuant to your telephone request, I herein beg to inclose statement of estimated operating results of the United States Shipping Board Emergency Fleet Corporation for the four months from July to October, 1922, inclusive.

This is all the definite certain statement we have based upon data limited and confined to "each of the four months." The rest of it is all based upon supposition.

You will note that the total loss (without, of course, taking into account anything for capital charges, to wit, interest, insurance, or depreciation) amounts to \$13,058,593.37.

Now listen:

Out of this, however, there is a general and administrative expense not directly applicable to operation of vessels of \$2,197,513.24 for the period.

Why include that in the operating losses and in the next breath say it does not belong there? Then we have the itemized statement showing the summary of total losses, divided as follows:

July, loss on operations, \$2,242,714.14.

August, loss on operations, \$2,662,728.62.

September, loss on operations, \$3,140,860.53.

October, loss on operations, \$2,814,776.84.

This makes a total for the four months of \$10,861,080.13. I think it will hardly be disputed that we have to multiply that by three in order to get the annual loss; assuming that the same losses would continue, the 12 months would show three times that sum, which would be about \$32,000,000 for the year. Anyone can multiply \$10,861,080.13 by 3 and they will get the actual loss. Then why call it \$50,000,000? Why keep insisting that it must be \$50,000,000? All we know is that in the four months named the actual loss has been \$10,861,080, and yet they put alongside of that a total loss which they estimate at \$13,058,593.37, admitting in the same statement that in those figures are included \$2,197,513.24 which ought not to be included under the head of operating losses.

The communication then continues:

For the purposes of round figures, we will say that the loss for the period of four months has been \$11,000,000. As this is one-third of the year, should the loss keep on on this basis it would be \$33,000,000 for the year, but anyone who estimates that the loss of the Shipping Board for the year will be \$33,000,000 deceives himself. In the first place, the four months covered are the most favorable months in the year as to passenger earnings. I estimate within that period almost half of the passenger earnings of the whole 12 months accrue.

He "estimates" that. That is a mere guess. That is not based upon experience or upon facts. That is an estimate. So I say we have not accurate data as to the total amount of the losses per annum in the operation of the ships.

He continues:

It must be remembered that the summer is the great ocean passenger traveling period. The result is that while in so far as cash outlay goes the operations of passenger ships have shown very little loss in the period covered, for most of the ensuing eight months of the fiscal year the loss will be, we estimate, \$1,800,000 more than it was for the first four months.

There is an admission that there has been very little loss in the operation of the passenger ships. Most of the loss, therefore, must have come from the operation of cargo ships. Passenger lines must have been doing fairly well. He admits there has been very little loss, but he says:

Ahead of us are losses which we estimate to be \$1,800,000 more than for the first four months.

That is a mere estimate.

Our total loss of the Shipping Board has been \$13,058,593.37 for the first four months.

He puts that in again, and reiterates and reasserts it, when he knows and in the very next breath states that in that item is \$2,197,513, which arose "out of and in connection with general and administrative expense not directly applicable to operations of the vessels." And yet they keep repeating the losses of the Shipping Board and admit that they include items which ought not to come under that head at all.

Then we come to the following details in his statement:

Our loss for the first four months—

Just listen to this, Senators. Is it the purpose to deceive Congress or to deceive the public? Why can not these people be frank and open and candid and square in the matter? We are now talking about operating losses:

Our loss for the first four months, including \$2,197,513.24 for expenses not directly applicable to operation, was \$13,058,000.

Why include that? They admit it is not applicable to operation, so why include it in the statement and repeat it and reiterate it?

Mr. DIAL. Mr. President—

The PRESIDING OFFICER (Mr. WELLER in the chair). Does the Senator from Florida yield to the Senator from South Carolina?

Mr. FLETCHER. I yield.

Mr. DIAL. Some of these expenses, I understand, were for salaries for employees disposing of other property that belonged to the Shipping Board.

Mr. FLETCHER. Yes; and all that sort of thing.

Mr. DIAL. Settling claims and other matters not incident to operation of the ships.

Mr. FLETCHER. Precisely, and they say it was not, and yet they keep repeating it under the head of operations.

Mr. McKELLAR. What was the exact amount of the operation losses?

Mr. FLETCHER. Loss on operations, \$10,861,808.13.

Mr. McKELLAR. Was that for the year?

Mr. FLETCHER. No; for the four months, July, August, September, and October. They have nothing for the other months. They do not give us any information as to November, nor for previous months, for that matter.

Mr. POMERENE. What was the reason for selecting those four months?

Mr. FLETCHER. I do not know, except that perhaps that is the only data they have worked out sufficiently about which to make any sort of statement.

Mr. McKELLAR. That would not be \$50,000,000 a year, as stated by the President in his message.

Mr. FLETCHER. Of course not. It would be not over \$33,000,000, as they admit in one statement; but if we include a lot of other things that do not belong to operation it can be run up to \$50,000,000. For instance, in the same itemized statement it is said:

The immediate expenditures for structural changes to be made within the next four months on the twenty-three 535-foot passenger ships will be \$3,000,000.

Why charge that to operation? Can anybody find any reason for charging structural changes in ships to the cost of operation? Here are 23 ships, some of which will from time to time be taken out of the service, carried to shipyards, and may be changed from coal burners to oil burners or from oil burners to Diesel engines, and the expenditures so incurred are to be charged as operating expense. It is perfectly absurd. It might be decided upon the return voyage of one of these vessels to say, "We will sink the vessel." The whole vessel would then be lost. In such a case is the value of that vessel to be charged to operating expense? Or it might be concluded to cut the vessel in two, add another section to it, or to change it entirely from a sailing vessel to a steam vessel, and charge that to operating expense.

Mr. McKELLAR. It might be well said that during the four months which are taken to illustrate the cost the shipping of all the world has been in a like desperate state, has it not?

Mr. FLETCHER. Shipping all over the world has been in the most depressed situation that has existed for years and years.

Mr. McKELLAR. As a matter of fact, there is no nation in all the world but has ships tied up just as we have. They have not so many as we have, for we built a great many during the World War.

Mr. FLETCHER. That is quite true.

The next item of this loss is:

Additional losses due to adverse operating conditions for the six months, at \$500,000 per month.

On what is that based? It is a mere guess, a mere estimate. Nobody knows whether or not that loss will follow. Mr. Sinclair does not know; it is an estimate for the six months to come; and he is merely expressing his opinion about it; that is all. Therefore I say in the report there are no accurate data as to the amount of the loss. It presents a mere opinion, based upon nothing except upon the supposition that freight rates will continue to decline and that people will stop traveling across the ocean.

The next item is:

Increased cost of oil, based upon increase of 50 cents per barrel and the use of 1,000,000 barrels monthly for eight months.

I dare say the Shipping Board has not made contracts for eight months; that is not an actual, binding, fixed loss.

Mr. McKELLAR. When was that statement made?

Mr. FLETCHER. This statement was made on November 24, 1922, and is found on pages 225-226 of the CONGRESSIONAL RECORD. If the Senator will keep it before him, he can follow my comments. That is another item that is not based upon actual facts. It is merely an estimate. My information is that they are doing fairly well with oil burners and that they are making oil contracts now that are quite satisfactory. I do not believe that item belongs in this statement of losses at all.

The next item is:

Decrease in passenger earnings for winter months, six months, at \$300,000 per month.

How do they know they are going to lose that much money? That is a mere supposition; that is a guess and nothing more.

The next item is:

Estimated losses for eight months—November to June, inclusive—on the basis of the loss for the past four months, but not including the four added items immediately given above, \$26,116,000.

So Mr. Sinclair adds up the total loss for 1923 as being \$50,974,000. Then what does he do? The statement says:

Of course, in this loss is included the general and administrative expense not directly applicable to operation of vessels.

Then, why put it in? He admits that it is not applicable to operation, and yet includes it in this estimate which I have just read. What does that amount to? The statement continues:

As this was \$2,197,513.24 for the first four months, if it kept on at the same rate it would be approximately \$6,600,000 for the year. So, taking this off of the total estimate of \$50,974,000, the total loss for the year would give us an operating loss of approximately \$44,000,000.

Yet, as the statement proceeds, the supposition continues that we are bound to lose this; we are bound to lose that; and if we do the result is going to be different.

Mr. EDMONDS, who is well informed regarding this whole situation and subject, in some observations made in the other House during the debate stated that the loss was probably well stated at about \$3,000,000 a month; and that is, perhaps, nearer correct; but the Shipping Board insists on putting out this statement and claim that it is clear and definite and certain, spreading it before the country, and showing that the annual loss is \$50,000,000. When the statement comes to be analyzed, however, according to their own figures, the loss will not exceed \$44,000,000, and included in that are the structural changes and repairs and that sort of thing. The estimates of losses in the months to come are mere guesses. The sum of \$33,000,000 is perhaps as near as we can get at the facts in that matter.

Mr. McKELLAR. Mr. President, the Senator from Florida had better watch out, for if he shows that our losses are not over about \$30,000,000 a year he will remove the principal reason that is advanced for the passage of the pending bill; that is, if we tax the people some \$30,000,000 a year, it will be cheaper than the loss now incurred in handling the ships as we do.

Mr. FLETCHER. Precisely. The claim the Senator from Tennessee has in mind is being made that even if this proposed subsidy amounts to \$30,000,000 a year, inasmuch as we are losing \$50,000,000 a year, we would save \$20,000,000 a year if we passed the bill. That is the argument, but, of course, it

is perfectly ridiculous and absurd, because these expenses are going to continue whether we pass this bill or not. It will be simply piling up \$30,000,000 a year on top of the \$30,000,000 or \$50,000,000, or whatever the amount may be which represents the losses of the Shipping Board.

Mr. McKELLAR. The Senator from Florida will not forget the old illustration about the camel getting his nose under the tent. If these special interests ever get a hold on the Public Treasury they are going to continue to ask for the amounts which the American people will have to pay from time to time.

Mr. FLETCHER. Undoubtedly. Once they get this policy written into the law, it will be there to stay. We will not be able to get away from it. It will be cumulative, as it was in the case of the old Collins Line. When we gave them a subvention of so much a year, when their contract expired they came back to Congress and asked to have their subvention doubled, and Congress doubled it. After awhile, when that contract expired, Congress decided to go back to the original appropriation. What then happened? The Collins Line threw up the sponge and went out of business. That was the end of the subsidy and that was the result of its operation.

There is only one hope we have, if it may be called a hope—of course it involves going through mire to get there—but it may eventually come, just as it did in the case of the Pacific Mail scandal years ago. This bill offers all sorts of opportunities for the rankest scandal that ever was exposed in this country. It may be when that comes that we shall be able to repeal this sort of legislation and get from under it, just as we did years ago.

I quote from pages 40 and 41 of Jones's Government Aid to Merchant Shipping as follows:

In 1872 the Pacific Mail Steamship Co. proposed the establishment of another monthly mail steamship line to China and Japan for an additional subvention of \$500,000 per year. After much debate Congress adopted the proposal and a contract to that effect was entered into. This contract, however, was abrogated by act of March 3, 1875, after it was discovered that the law had been passed as a result of corruption and the company had failed to carry out its part of the agreement.

During this period, however, the policy of granting mail subventions received a deathblow.

Why? Because of the scandal.

The disclosures as to the maintenance of a corrupt lobby to secure congressional approval of the second Pacific Mail contract left such an unfavorable impression upon the popular mind that no serious attempt was made to institute subvention payments for at least 10 years.

Mr. Meeker in his History of Shipping Subsidies, on pages 100 and 161, discusses the same subject as follows:

In 1872 the Pacific Mail Co. offered to run another monthly service to China and Japan for an additional \$500,000 a year. With considerable difficulty a bill authorizing such a contract was passed by Congress June 1, 1872. In 1874 it was discovered that bribery had been employed to secure the passage of the measure. It was proven that the company had spent about \$1,000,000 to push the bill through Congress. The new contract was abrogated by the Government because of the improper methods used in gaining the necessary legislation, and the subsequent failure of the company to fulfill the conditions of the said contract.

That was one way to get rid of that subsidy. The information which leaked out to the public that a million dollars had been used to pass the bill, and the absolute failure of the shipping company to keep the contract, spelled its doom. It may be that some such thing as that may develop in connection with this character of legislation should it ever be passed, because it will open the door for people all over the country to come flocking here to Washington and to the Shipping Board for governmental favor. This bill provides that the board shall have absolute discretion within its own sweet will to double the subsidies provided for and set forth in the compensation, direct-aid fund, which is permanently appropriated to the extent of \$30,000,000 a year for 10 years, with the privilege to the Shipping Board of extending it five years further.

Mr. McKELLAR. Mr. President—

Mr. FLETCHER. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I assume that any shipping company to be prosperous must have cargoes to transport. How will the payment of a cash subsidy increase the cargoes of any shipping company? The Senator is on the Committee on Commerce, and I will ask him what statement has been made in the hearings or what evidence has been adduced to show that the mere payment by the Government of a cash bounty will increase the cargoes of any particular shipping company?

Mr. FLETCHER. Mr. President, the Senator has put his finger on the very spot that is the most tender to our subsidy friends and important in this whole question—that is, that in order to have a prosperous merchant marine we must have

cargoes. It avails us nothing to have ships sailing the ocean empty. We must have cargoes in order to make possible the development of a merchant marine. There must be demand for the ships, and that means cargoes. This subsidy does not create any cargoes anywhere. It does not reach that point at all. It simply encourages a few people to buy these ships, and then it is assumed that because they have ships they will go out and hunt cargoes, I suppose; and a loan fund of \$125,000,000 is provided for here, to be loaned at 4½ per cent. The intention of that is to encourage people to build more ships.

Mr. McKELLAR. Why build more, when we now have, according to Mr. Lasker, twice as many as we need?

Mr. FLETCHER. That is a pertinent inquiry. The argument that is made in reply to that suggestion is that we need some more of a different kind and type; but, for the life of me, I can not see how appropriating this money permanently, as this bill does, during the whole period of 10 years, with a possible extension, and a very probable extension, of five years more, I can not see how permanently appropriating \$30,000,000 a year out of this one fund, outside of other benefits carried in the bill, is going to create cargoes or, in their absence, a demand for ships.

The most that might be hoped for would be that in some three years several hundred of our best and most profitable ships might be purchased leaving us with some 800 others on hand and the enormous overhead flourishing as usual.

Mr. McKELLAR. Mr. President, if the Senator will permit me again, carrying out the idea that I have in regard to cargoes being necessary in order to build up a merchant marine, as I understand this bill it does not give bounties to the ships of the Standard Oil Co., the ships of the Steel Corporation, or the ships of the United Fruit Co. They are excluded, as I understand, under this bill. Is that correct?

Mr. FLETCHER. No; they get compensation. They get some benefits, too, under the provision with reference to the reductions allowed on depreciation of ships in their income tax.

Mr. McKELLAR. Yes; but I am talking about cash subsidies.

Mr. FLETCHER. They get the subsidy as the bill was reported to the House. There was an amendment which excluded earnings from carrying their own commodities, from tax exemption, and the Commerce Committee amendment excludes them from participation in the loan fund. That committee likewise purposes to strike out the income-tax exemptions except they permit deductions for depreciation.

Mr. McKELLAR. They are excluded from them?

Mr. FLETCHER. Not from compensation.

Mr. McKELLAR. I know of no better illustration of the view that it is necessary to have cargoes to make good business. All of these three concerns have a large number of ships. Those ships have cargoes. They are carrying their cargoes to every port in the world perhaps—not the United Fruit Co. but the other two companies are.

They are carrying their goods everywhere. They are busy. They have business. They are making money. They do not need a subsidy. It does seem to me, therefore, that Congress should direct its efforts toward getting business for our merchant marine, not toward paying subsidies for no work being done.

Mr. FLETCHER. Of course, the Senator is correct about that; but instead of doing that, instead of encouraging the development of trade, Congress passes a tariff law which will have the effect of decreasing imports and therefore lessening the amount of goods to move into this country, and certainly that will be reflected in a decrease of exports as well. Congress has not only done that but it put an amendment upon the tariff bill which obliges American ships, if they have to be repaired in foreign yards, to pay 50 per cent of the cost of those repairs as a tax. There are no other ships that do that. We have ships sailing around the world, tramps going from one port to another, perhaps gone 8, 9, or 10 months from home. They may be forced to have repairs made in foreign ports. What is the result? The American has to pay 50 per cent in addition as a tax upon the cost of those repairs, whereas the foreigner has no such obligation at all. That is the way in which Congress encourages our ships, as far as that is concerned. I say that we ought to spare our shipping burdens and taxes of that kind and not seek to encourage a few shipowners to get more ships and come to the Government for special favors to be compensated by direct payments out of the Treasury for what they claim to be the difference in operating under our flag and under a foreign flag.

On this question of losses, the old saying is that figures will not lie, and I presume that is true; but there are a great many

people who know how to manipulate them in such a way that they bring about inaccurate results. I do not know how these figures were compiled. We were unable to get that information before the committee, but it is certainly inconsistent with other reports from the same Shipping Board.

I happen to have before me a copy of the speech which I made August 20, 1921, in the Senate, and I quote from that:

Mr. Tweedale then stated—

Mr. Tweedale was the comptroller—

Mr. Tweedale then stated, on May 9, 1921, that—
"From the beginning of the operation of this fleet to May 1, 1919, we paid all the expenses of the fleet, the operation of the fleet, and in addition to that declared a profit of \$48,325,000, and also laid up \$33,000,000 for depreciation, making a total of \$81,325,000. From that point, May 1, 1919, down to March 1, 1921, the fleet was operated at a profit of \$17,000,000."

That is a statement from another comptroller of the Shipping Board, made at the time I have mentioned, and covering the dates set forth.

Then Mr. Tweedale further says:

If depreciation on original cost (average, \$200 per dead-weight ton) on a 10-year life basis, which we have been using, were added, it would amount to \$149,451,725. This, if added to the operation loss, would increase the total loss to \$179,289,322.

Of course, it is absurd to figure 10 per cent depreciation on a cost of \$200 a ton when we are offering these ships at \$30 a ton.

If figures above used to cover insurance, repairs, and depreciation were reduced from January 1, 1921, to a figure more commensurate with present conditions, insurance and repairs would be reduced by \$16,798,838 (divided: Insurance, \$11,199,188, and repairs, \$5,599,650). Depreciation would be reduced by \$41,996,980.

If the reduced figures mentioned were used, and I think they are considered ample, the results shown above would be changed and appear as follows:

Gross revenue	-----	\$379,254,708
Expenses, including repairs, insurance, and overhead	-----	396,053,546

Net loss from operation	-----	16,798,838
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That is the statement of that comptroller; and, in any event, these losses ought not to amount to any \$50,000,000 a year. There is certainly no excuse whatever for continuing any such losses.

The next proposition is with regard to the amount of subsidies paid by other countries. The Senator from Washington calls my attention to this same CONGRESSIONAL RECORD and to a statement made by Mr. E. T. Chamberlain, Commissioner of Navigation, appearing therein at page 224. The minority report says—which is, of course, general language—that our belief is that the entire subsidies and subventions and aids given to shipping in England, France, Italy, and Japan will not exceed \$17,000,000 per annum.

The argument is made here in support of this bill that we ought to have subsidies because our competitors are paid such enormous subsidies; that we must be put in position to be on an equal footing with them; and that is a reason why we should come to this policy of granting subsidies. We have said in the minority report that in our judgment the total subsidies paid by all those countries annually will not exceed \$17,000,000.

Mr. POMERENE. Mr. President, will the Senator suggest what classes of vessels receive these subsidies? I ask that question because, as I understand, in Great Britain subsidies are granted only to the fast liners; and I should like more detailed information upon that point.

Mr. FLETCHER. Yes; I propose to go into that subject a little more fully. I will say to the Senator generally, however, that the subsidies provided in all countries to-day are practically confined to subventions in the way of postal contracts, ocean-mail pay. That is practically what they have all come to. Great Britain has come to that, and there are a few other countries paying some bounty for constructing ships, and that sort of thing; but they have come practically to that one thing—subventions in the way of mail contracts—and we have done that since 1891. We are doing it now. The estimate this year is that the cost of carrying our ocean mail will be something over \$6,000,000. We propose in this bill to require that that mail shall move in American ships.

Mr. McKELLAR. Mr. President, if the Senator will yield, during the past year the cost of carrying the mail in our own vessels was \$4,000,000, whereas in round numbers we paid foreign ships about \$2,000,000 for carrying another portion of our mails.

Mr. FLETCHER. Exactly.

Mr. McKELLAR. And we are virtually the only nation in the world that hires the ships of other nations. Here we have, as reported by the chairman of the Shipping Board, over a

thousand vessels tied up, and four hundred and twenty-odd vessels of our own running, and yet we are paying over \$2,000,000 a year to the ships of other nations for carrying our mail under the contracts we have with them. I took the trouble to look up and see what other nations were employing American ships to carry mail for them, and I found that the new kingdom or republic of Esthonia and the new kingdom or republic of Finland were paying some small sum, probably less than \$1,000, to American ships for carrying the mail of those two countries alone. Great Britain does not employ, and has never at any time employed, American vessels to carry her mail.

Mr. FLETCHER. On this subject of subsidies the Senator inserted a statement by Mr. Chamberlain at page 405 of the CONGRESSIONAL RECORD. I am astonished that Mr. Chamberlain should make this statement. I can not understand for a moment how he manages to so arrange these figures as to make this sort of showing. I would guarantee to discredit that whole statement from beginning to end by just analyzing one item in it.

Take Australia, for instance. Under the head of subsidies, mind you, he says:

Contract ocean mail payments (1922) were \$792,485.
Fiji Islands, \$53,880.

Great Britain and Australia, and perhaps Canada, generally provide these subventions for carrying the mails not only to foreign countries, strictly speaking, but to their different colonies or dependencies or outlying islands.

We do not provide them for such service. Our ocean mail contracts refer to the foreign movement of mails entirely. They do not apply to mails to Porto Rico or Hawaii or Panama.

I read further from Mr. Chamberlain's statement. Under the head of "Subsidies" he says:

Commonwealth Government fleet (first cost of fleet to June 30, 1922, was £14,518,789), net earnings without allowance for interest and depreciation, £7,371,053.

Leaving as subsidies \$32,093,334.64.

The next item is:

Completion shipbuilding program, \$9,429,000.

The Senator from Washington has it appear, and it is set forth in this summary, that the subsidy paid by Australia is \$59,529,784.64 a year, whereas included in that item is the total cost of the fleet built by Australia and another shipbuilding program which she has now under way. That is classified as a subsidy. Australia is building her own ships. The Government is operating the ships, and successfully operating them. Last year she made a net profit of \$33,000,000 operating her fleet; yet they say this Government can not do anything like that; that we are impotent; that we are incompetent; that we are incapable. Australia is doing it; and they want to charge as a subsidy the total cost of the fleet—\$32,093,334—and \$9,429,000, to go to make up the subsidy of \$42,000,000.

I would like to know, if Mr. Chamberlain were called upon to report to Lloyd's, for instance, what subvention or subsidy the United States pays to her shipping annually, whether he would say we paid \$6,000,000 for carrying our mails on the ocean and \$3,000,000,000 the cost of our fleet. If he were to report the subsidy paid by the United States annually, he might with equal justification report \$3,000,000,000, and \$6,000,000 more for carrying the mails. Think of putting out a statement on the subject of subsidies and including in it the total cost of the ships for Australia and her present program of construction as well.

That ought to discredit that whole statement, and I should not take up a minute's time in reading any other item in it. We find that when he gives what Italy is paying, \$28,576,000, he says Italy pays that as subsidies. I venture to say that is two-thirds construction. If not construction, it is for some purpose outside of real, bona fide subsidies. Italy can not pay any such money as that for subsidies. She never has paid such an amount.

I want to quote from Mr. Chamberlain himself. I do not know when he made this statement just quoted and appearing in the RECORD of November 28, as it does not seem to bear any date, but undoubtedly he must have made it before December 4 because it appears in the RECORD of November 28. On December 4, 1922, this is what the same Mr. Chamberlain said under the title "The Italian Merchant Marine," appearing in the Commerce Reports:

Indeed, even in July the Government explanation of the budget estimate for 1922 and 1923 seemed to forecast reductions or abandonment of the construction and navigation bounty system.

As a matter of fact, Mr. Chamberlain well knows that the new Government in Italy has to-day practically abandoned those bounties to which he refers here, and no government in Italy will call upon the people or can call upon the people of

that country to pay any such subsidies as he set forth in this statement. He knows that. It is perfectly ridiculous.

You may estimate \$5,000,000 as the subsidy paid by Italy, and you will be very liberal in your estimate. You may estimate \$2,500,000 for England, \$5,000,000 for France, and \$5,000,000 for Japan, making \$12,500,000, and give \$5,000,000 to Italy, and you will not be much above the figure given in the report of the minority on this bill, \$17,000,000, for these four competing nations, against which we must protect ourselves by appropriating \$30,000,000 to our shipowners.

There is a statement on that subject appearing in the hearings at page 89, a statement prepared by the Shipping Board, put out by the Shipping Board, printed by the Shipping Board, but just as soon they had a chance to thoroughly examine it they suppressed its circulation, because it did not suit their views; it did not support this bill. It was, however, entitled as coming from the Shipping Board and was prepared at their request. Here is the statement at page 89:

By the law of 1900 changes in the navigation bounty were made. Foreign-built vessels were excluded and the rates were greatly reduced, namely, from 80 centimes to 45 for steamships and 20 centimes for sailing vessels, with a limitation on the mileage for which bounties could be received from 40,000 to 50,000 miles for steam and 10,000 for sailing vessels. The tonnage also was limited so that bounties could not be received for the excess over 20,000 tons in any year, nor over 40,000 tons in any year after 1903, during the operation of the law of 1896. The maximum tonnage entitled to bounty was limited to 200,000 gross tons and the annual expenditure to 10,000,000 lire.

Of course, the amount of lire paid for subventions and bounties and aids in Italy appears very large, but we know the value of the lire has come down from 14 cents and something to very little over 4 cents in our money. I read further:

By the law of 1911, which slightly changed the provisions, a limitation on bounties is fixed by statute, the limit being 6,200,000 lire annually.

That is the limitation, 6,200,000 lire annually, not dollars. I continue reading:

The total construction and navigation bounties in 1910 amounted to \$1,200,000, divided about equally between construction and navigation.

They acquired some ships. They got some Austrian ships, and they built some ships, and I presume Mr. Chamberlain has charged in this statement of the subsidy what it has cost the Government to acquire, construct, build, and purchase ships. I read further:

By the law of 1913 a new form of bounty for Italian-built ships was inaugurated, namely a yearly payment of 2½ per cent of the value of the ship. To receive the bounty the ship must be operated at least 160 days in the year, the amount being proportionately reduced for operation for a shorter time. The total appropriation under this law can not exceed in any one year 2,300,000 lire.

The total under that law can not exceed 2,300,000 lire, each lire being worth now about 4 cents. I continue reading:

Individual lines receive annual subventions for particular services. For example, the Italian-Brazilian lines, for two voyages monthly, receive about \$5,000 per round voyage, or \$636,000 for a period of five years.

Maybe Mr. Chamberlain has estimated a five-year contract in these figures; I can not say. But the statement is given out as to an annual subvention. This continues:

Two-thirds is paid by the Brazilian Federal Government and one-third by the State of Sao Paulo, which has much Italian labor. Whether this contract is still in force is not known. It expired originally in 1917.

An agreement between Italy and Chile provides for a payment of about \$100,000 annually for a service between Genoa and Valparaiso and other Chilean ports. The purpose was to move the nitrate direct to Italy.

Postal subventions are paid by Italy to the amount of about \$2,500,000 annually for various services, mostly to far-distant ports.

Taking the statement of this expert who examined the whole question of subsidies and reported for the benefit of the committee considering this bill, entitled "Appendix A to the hearings, report of the history of shipping discriminations and on various forms of Government aid and shipping," we must reach the conclusion that the total postal subventions paid in Italy annually amount to \$2,500,000, and the statement is made that as to construction bounties they were to be discontinued in the recent budget.

I have allowed for Italy \$5,000,000 for subventions and aids, and I do not believe she will pay more than \$2,500,000. I have made an excessive allowance for Italy, therefore.

As to all these countries, the principal aids are subventions. For instance, take Great Britain. I referred a moment ago to the point raised by the Senator from Tennessee about what we are doing to really bring about the establishment of a merchant marine and looking toward providing for cargoes. We have gone on and repealed the Panama Canal act admitting foreign-built ships to American registry. That does away with

what we might call free-ship policy. That was done in the merchant marine act of 1920.

Great Britain has never granted general navigation bounties—

Said this author—

nor construction bounties, with the exception of the early European subsidies above mentioned. Practically the only money aid given by Great Britain to its marine is in the form of postal subventions.

The first of these subventions came in 1838 for a mail service between Liverpool, Halifax, and New York.

Mr. McKELLAR. What did it amount to, all told?

Mr. FLETCHER. The postal subvention, after reductions, amounted to about \$2,500,000.

I do not care what has been said; that statement I believe. It was made by a student of the subject who prepared it for the guidance and help of the committees considering the bill.

All the writers seem to agree that the growth of the British merchant marine is in no sense due to the small subsidy paid, admitting that the payments are in excess of the postal service rendered. The growth of the British marine was probably due to the early development of British industry, the acquisition of extensive colonial possessions, and the monopolistic or preferred position in colonial trade. The cheapness of construction and the concentration on the business account for most of its success.

The various Provinces of Australia grant postal subventions, including the Commonwealth, amounting to about \$225,000. New Zealand pays small amounts based on the weight of the mail carried.

Mr. McKELLAR. Mr. President, I want to call the Senator's attention to the fact that the United States now pays through postal subventions virtually as much as England, as she pays in the neighborhood of \$2,000,000 now as postal subventions, and if the figures of the Senator from Florida are correct as to the amount to be paid next year being \$6,000,000, we will pay more in postal subventions than Great Britain is now paying.

Mr. FLETCHER. Undoubtedly that is true.

We come next to the reference to France at page 86 of Appendix A in the hearings:

France appears to be the country of subventions par excellence, although in 1910 its merchant marine was outranked by Great Britain, the United States, Germany, Norway, and Japan. In 1881 its enlarged program of direct subventions began. From 1870 to 1913 its net tonnage ranged as follows:

Year.	Sail	Steam	Total
1870.....	917,633	154,415	1,072,048
1880.....	641,539	277,759	919,298
1913.....	601,983	980,433	1,582,416

This simply shows that the most liberal country in the world in granting subsidies made no material progress whatever in the creation of its merchant marine. It is perfectly well known that it was a scandal, world-wide almost, how French ships sailed about the ocean empty simply to draw the subsidy. It did not help the commerce of France one bit, and did not build up any trade, and did not establish a merchant marine. That is a thought worth while in considering the bill. The total postal subsidies in 1911 paid by France amounted to about \$5,500,000. They have remained in the neighborhood of \$5,000,000 since 1889.

I am willing to accept the statement of Mr. Chamberlain as to the subventions allowed France without taking up the time to go into that any further, which is \$5,107,104 per annum. Granting that and assuming Great Britain, France, and Italy, at the figures which I have mentioned, and Japan, at the figures Mr. Chamberlain gives of \$4,831,411, we are well within the \$17,000,000 for all four of the countries.

Mr. Merrill, an official of the Shipping Board, at page 634 of the hearings, said:

No, sir; practically no subsidy was ever given by England.

Mr. Lissner, one of the commissioners of the Shipping Board, at page 635, referring to Great Britain, said:

They have never given anything, so far as I know, purely as a subsidy to build up a merchant marine.

The report to which I just referred, Appendix A, states:

Great Britain has never granted general navigation bounties nor construction bounties, with the exception of the early Elizabethan subsidies above mentioned.

Those were in 1662 and 1694. The report further states:

Bounties had no noticeable effect on ship construction. Practically the only money aid given by Britain to its marine is in the form of postal subvention.

I have referred to the language in the report.

All the writers seem to agree that the growth of the British merchant marine is in no sense due to the small subsidy paid, admitting that the payments are in excess of postal services rendered.

Referring, as some people do, to the assistance to the Cunard Line by England as if that were a tremendous subsidy, Mr. Jones, in his work on Government Aid to Merchant Shipping, said:

The only instance of a loan to a steamship company by the British Government was the loan made to the Cunard Steamship Co. under the mail and Admiralty subvention contract of 1903. Under this contract the British Government loaned the steamship company £2,600,000 (\$12,652,900) for the building of two steamers (the *Lusitania* and the *Mauretania*) that should be faster than any afloat and suitable for the use of the Admiralty. The loan was made at the rate of 2½ per cent, which is about 2 per cent lower than the rate at which the company could have borrowed a similar amount in the open market.

It is very likely the British Government could borrow money at a very low rate of interest at that time. Then the author further said:

The British Government is a stockholder in the Cunard Co. to the extent of one share and has a mortgage on its fleet and other property as a security for the loan. The Government has, moreover, the right to charter or purchase at agreed rates all or any of the company's vessels at any time, and requires that the company shall remain a purely British undertaking; that its management shall be in the hands of, and that its shares and vessels shall be held by, British subjects only; that it shall not give preferential rates to foreigners; and that it shall not unduly raise freights.

I think I have shown from the hearings, from an analysis of this statement, from the authorities which I have cited, even from Mr. Chamberlain himself, that the report is well within the limits when we estimate that the total subventions and aid to these so-called chief competitors of ours on the seas—England, France, Italy, and Japan—were \$17,000,000 a year. If that is true, of course there can be no support for the claim that we must contribute two or three times that amount and donate that sum out of our Treasury in order to put us on an equal footing with those countries.

Referring to the Commerce Report of September 19, 1922, at page 837, anyone further interested in the subject of Japanese shipping bounties will find an interesting article by Mr. Chamberlain. It confirms the estimate which we have made at what he sets forth in his statement. We have made it in round figures, in our judgment, at \$5,000,000, while he makes it at \$4,831,411. Japan is not being very well pleased with the result of her subsidy even to that extent. Practically all aid nowadays made by the maritime powers to their shipping is in the way of mail subvention or postal contracts for carrying their mails overseas, and that we have been doing right along ever since 1891. As has been mentioned by the Senator from Tennessee [Mr. McKellar], the amount which we pay in that direction is far in excess of that paid by any other country in the world.

Now I pass to the next question raised concerning the success of the Panama Steamship Line and the United States Lines. In our report we have referred to those two Government-operated lines as doing a successful business. I have based my belief in the accuracy of that statement upon the testimony of witnesses taken before the committees of Congress. If we have come to a time when we should pay no more attention to the people who come here and appear before these committees and give their statements, then we might just as well abandon all hearings on bills referred to committees. We might cease to pay any attention to what witnesses say, and particularly when witnesses come here voluntarily and offer their statements in solemn hearings while we are making an earnest and conscientious effort to get at the truth and seek the development of facts.

If we can not depend upon the statements which appear there—which are uncontradicted, mind you—then I am at a loss to know upon what we can depend. I do not own any ships; I am not connected with the Panama Railroad Steamship Line and know nothing about its business; I am not connected with the United States Lines and know nothing of personal knowledge about them; but I have a right to ask information on the subject; and when the subject is under consideration by a committee of Congress I think I am justified in depending upon the uncontradicted statements of people who are supposed to be and who are reputable citizens.

What do we claim as the basis for the statement that those lines have been doing a successful business? I wish to call attention to the hearings. I will merely refer to page 363 and ask that the statement appearing there, which is entitled "Tentative statement of revenue and expenses of United States Lines, by services and by vessels, for four months ending December 30, 1921," with the note attached, may be inserted in the Record. I shall not take time to read it.

The VICE PRESIDENT. Without objection, it is so ordered. The table referred to is as follows:

Tentative statement of revenue and expenses of United States Lines, by services and by vessels, for four months ended December 31, 1921.

	Weeks in service.	Revenue.	Expenses.	Net operating revenue.
New York-Bremen service:				
Potomac.....	4	\$76,270.00	\$47,075.34	\$29,194.66
America.....	3	300,377.60	179,751.94	120,625.66
Hudson.....	5	105,512.87	118,320.93	6,808.06
George Washington.....	2	505,158.24	267,519.70	237,638.54
Princess Matoika.....	5	100,055.63	104,521.99	4,433.50
Potomac.....	5	108,890.84	110,441.72	1,550.88
America.....	4	240,150.08	191,012.99	49,137.09
George Washington.....	3	369,760.32	245,722.68	124,037.64
Hudson.....	6	117,862.97	114,470.45	3,392.51
Princess Matoika.....	6	79,917.85	101,504.07	21,586.22
America.....	5	215,934.85	182,540.94	33,393.91
George Washington.....	4	387,134.13	238,201.05	148,933.08
Potomac.....	6	75,660.66	102,311.12	26,650.44
Total.....		2,684,687.04	1,998,394.93	686,292.11
New York-London service:				
Old North State.....	9	18,939.56	18,297.44	642.12
Centennial State.....	3	69,914.91	89,932.17	20,017.86
Old North State.....	10	64,378.41	70,203.41	5,825.00
Centennial State.....	4	56,713.15	70,813.63	14,100.48
Panhandle State.....	9	28,395.45	85,493.50	57,097.05
Centennial State.....	5	39,459.54	69,705.10	30,245.56
Panhandle State.....	10	42,480.97	66,570.42	24,089.45
Total.....		320,282.99	471,315.67	151,032.68
Total both services.....		3,004,970.03	2,469,710.60	535,259.43

NOTE.—The expenses do not include any charter hire, insurance, interest, depreciation, nor repairs made by United States Shipping Board, but do include all expenses incurred by United States Lines; also coal, oil, and advertising paid by United States Shipping Board as well as office rent and wharfage billed by United States Shipping Board.

Mr. FLETCHER. I now take the subject up at page 361 of the hearings. Mr. Rosbottom is on the witness stand, and he states:

The United States Lines is the creature of the Shipping Board. The Shipping Board owns the steamers. They were the steamers that had been chartered and sold on partial-time payments, I believe, to the United States Mail Steamship Co., to be operated between New York and European ports. Then when the United States Mail went into the hands of a receiver these steamers were thrown back on the Shipping Board, and the Shipping Board requested the Secretary of War to transfer me from the Panama Line to the United States Lines to manage the United States Lines until such time as the lines could be sold.

Mr. BANKHEAD. Are they really being operated then by the Shipping Board at the present time?

Mr. ROSBOTTOM. They are being operated by the Shipping Board; yes. The names of the steamers are the *George Washington*, the *America*, the *Princess Matoika*, the *Hudson*, the *Potomac*, the *Lone Star State*, the *Peninsular State*, the *Susquehanna*, the *Centennial State*, the *Old North State*, the *Blue Hen State*, the *Granite State*, and the *Panhandle State*.

Mr. BANKHEAD. These represent about the best types that the Shipping Board own, do they not, Mr. Rosbottom?

Mr. ROSBOTTOM. Some of them represent the best and some of them represent the very worst.

Mr. BANKHEAD. In what particular do they represent the very worst?

Mr. ROSBOTTOM. In plain language, I have what you might call a horse and a mule and a jackass team. [Laughter.]

Mr. BANKHEAD. That is what we call a "spike" team down in my country.

Mr. ROSBOTTOM. It is the worst kind of a team you could possibly have. I have got the *George Washington*, which is a real steamer; the *America*, which is a real steamer, and would be a real steamer to-day had it not been for the fact that the United States Mail Steamship Co., instead of restoring her to the condition in which the Germans left her, felt that they knew more about the steamship than the Germans did, and reconditioned her to such an extent that she is a mule now.

I have the *Peninsular State* and the *Lone Star State*, which are of the 535-foot type. Those steamers are very well adapted to South Atlantic trade, because they have fine accommodations first class, no second-class accommodations, and open steerage for third class. I have induced the Shipping Board to put in closed rooms for the third class. Those two steamers, which cost something like \$7,000,000 apiece, are not fitted for the North Atlantic run. Their speed is satisfactory but they carry too few first cabins, no second cabins, and too few third class. The result is that I have the operating expense of a big ship and the operating revenue of a little ship.

Now, the five steamers that we operate in the London service, such as the *Granite State* and the *Centennial State*, they were in exactly the same situation. They are smaller. They operated at about 14 knots instead of 18, but they had luxurious first-class accommodations and no third class. Really they were cargo steamers and then the passenger accommodations were installed as sort of an afterthought.

The operating expense of those steamers is just about as heavy as the operating expense of a first-class passenger steamer, but the operating revenue is reduced from a passenger standpoint, because they can not accommodate the passengers. To offset that we have induced the Shipping Board to allow us to install additional berths in these first-class accommodations, so that all these London steamers now are what is known as the cabin type of steamer. Then also we are installing third-class accommodations. We are doing that with the idea of increasing our operating revenue.

The other steamers that I am operating to Bremen and to Dantzic, such as the *Princess Matoika* and the *Hudson* and the *Potomac* and the *Susquehanna*, are the old German tubs.

Mr. BANKHEAD. They are the jackasses?
Mr. ROSSBOTTOM. Those are the jackasses. They are full fledged. Their operating expenses are enormous and I can not get any operating revenue out of them because people will not travel in them. The third-class accommodations are not fit for pigs to be stowed in, and the ships are old, the steel is crystallizing, and I have all kinds of expenses for repairs on them.

Mr. BANKHEAD. Has your Shipping Board got any vessels that they could put at your disposal that are superior in equipment to those?

Mr. ROSSBOTTOM. Unfortunately they have not. Before I came with the United States Lines they assigned a number of these 535-foot steamers to the trans-Pacific run. If I had 535-foot steamers instead of the German tubs I could make some money in the Bremen run, even with the 535's, but I can not make enough money now out of the *George Washington* and out of the *America* to carry along the rest of my invalids.

Mr. BANKHEAD. You are making money with the *George Washington* and the *America*?

Mr. ROSSBOTTOM. Yes; there is no question about that.

Mr. BANKHEAD. Is there a pretty good profit on those two ships under present conditions?

This is what Mr. Rossbottom says. He is testifying here as to the practical results of the operation of this line, of which he is general manager—

Mr. ROSSBOTTOM. Yes. Of course, in my operation I am not charged charter hire, interest, or depreciation. Those ships are owned by the Shipping Board.

Mr. BANKHEAD. What is your average profit per run on those two first-class vessels, not charging in those items that you suggested?

Mr. ROSSBOTTOM. Well, not charging in the interest, insurance, or depreciation, I can tell you just what they have been.

On voyage No. 2 of the *George Washington* my net operating revenue was \$237,638; on voyage No. 3 it was \$124,000; on voyage No. 4 it was \$148,000.

On the *America*, voyage No. 3, the operating revenue was \$120,000. I am just giving you round figures. On the next voyage of the *America* it was \$49,000. On the next voyage of the *America*, \$33,000.

My total operating revenue, for instance, for the four months ending December 31, for all the steamers in the Bremen service, was \$686,292.

Mr. BANKHEAD. Is that a statement that you have there of the operation of these vessels?

Mr. ROSSBOTTOM. Yes.

Then follows the statement which I have asked to have inserted in the RECORD. It will be seen that that statement covers "all expenses incurred by the United States Lines; also coal, oil, and advertising paid by the United States Shipping Board, as well as office rent and wharfage billed by United States Shipping Board"; and it shows a net operating revenue of \$535,259.43.

Mr. Rossbottom further, at page 376, referring to these tubs, as he calls them, says:

They ought not to be in the business, because their earning capacity is not sufficient.

Mr. HARDY. In other words, you can not make a profit out of the use of utensils or implements that are not fitted for the service and not proper to have in it?

Mr. ROSSBOTTOM. That is right. The angel Gabriel could not operate those steamers and make a profit out of them.

Mr. HARDY. You could not make a profit out of them, whether they were operated by the Government, by private owners, or public owners, or not?

Mr. ROSSBOTTOM. No. No man could make a profit out of them. It would be a crime to turn them over to a private operator until they are in a position to make a profit. Any private operator would go bankrupt in trying to operate them now.

Mr. HARDY. Then, your position is, so far as those steamers are concerned, they ought to be dropped out?

Mr. ROSSBOTTOM. The ones that we can not operate profitably?

Mr. HARDY. Yes.

Mr. ROSSBOTTOM. Yes. But now there are reasons of policy, of course, why they should be continued for the time being, until they secure other ships to take their place. For instance, the inauguration of an American line to London; there is no American line to London, excepting the United States Lines, and the policy of the Shipping Board, as outlined to me by Mr. Lasker, is that the Shipping Board, in compliance with the Jones Act, is quite willing to incur a loss to maintain a line of that kind until it can be operated profitably. As far as the Bremen service is concerned, if we gave up operating these three or four lame ducks, instead of operating a weekly service to Bremen we would be operating a service only about every 12 or 15 days.

Mr. HARDY. You said three or four of those lame ducks; can you name the ones that are not fitted?

Mr. ROSSBOTTOM. Yes. The *Potomac*, the *Princess Matoika*, the *Hudson*, and the *Susquehanna*.

Mr. HARDY. Those four?

Mr. ROSSBOTTOM. Those four.

Mr. HARDY. And they are of a kind that you do not think could be repaired and put in shape to make them profitable?

Mr. ROSSBOTTOM. Yes, they can be; but it would be an enormous expense, and I doubt very much whether that expense would be justified, in view of the age of the ships.

Mr. HARDY. They are old and probably would cost more than they would be worth after they were repaired?

Mr. ROSSBOTTOM. Those steamers, I think, are 20 or 21 years of age. It would cost you easily \$300,000 to put them in a proper condition; and, after that is done, you could not sell them for \$300,000.

Mr. HARDY. About what size are they?

Mr. ROSSBOTTOM. They are about—they range from 9,000 to 12,000 gross tons and are about 500 feet long.

Mr. HARDY. That would be about 15,000 dead-weight tons, would it not?

Mr. ROSSBOTTOM. About that.

Mr. HARDY. And it is your theory that we had better keep up some of the lines, even at a loss, than to abandon the vessels that are continually in service?

Mr. ROSSBOTTOM. Yes.

Mr. HARDY. I am not prepared to dispute the wisdom of that, unless other ships of those the Government possesses, some 1,400 steel vessels, can be found that are more adapted to that. How about that; are there any more suitable ships in the list of our some 3,000,000 tons of first-class shipping—

Mr. ROSSBOTTOM. Yes.

Mr. HARDY (continuing). That could be substituted in place of these unprofitable ships?

Mr. ROSSBOTTOM. Yes.

Mr. HARDY. Are any of those ships now idle?

Mr. ROSSBOTTOM. They are.

Mr. HARDY. Is there any reason in the world why they should not be substituted and made to earn something, instead of using those that are earning nothing—that are losing money?

Mr. ROSSBOTTOM. The only reason is the cost of fitting them for the service. There are three steamers that I have in mind that if I had them in the United States Lines with the *America* and *George Washington* I would not take off my hat to anybody.

Mr. HARDY. You could run those ships under the present laws and make money out of them?

Mr. ROSSBOTTOM. If I had the *Mount Vernon* fitted for first, second, and third class passengers, the *Agamemnon* and the *President Grant* fitted as cabin steamers, those three steamers, with the *George Washington* and the *America*, would give the Shipping Board a real American fleet in the North Atlantic, so that when the time came to sell to private owners they would have something worth selling and the owner would have something worth buying; but it is going to take money, you know, to fit those steamers up. I do not know how much, probably \$5,000,000 or \$6,000,000.

Mr. HARDY. And you would have a record that could not be pooh-poohed as showing the utter incapacity of our merchant marine under Government operation, would you not?

Mr. ROSSBOTTOM. Either in Government operation or private operation those steamers would make money.

Mr. HARDY. They will make money if operated rightly?

Mr. ROSSBOTTOM. Yes.

Mr. HARDY. Either under one or the other?

Mr. ROSSBOTTOM. Yes.

Mr. HARDY. Did I understand you to say those ships that were profitable—the *George Washington* and two or three others, several others that you named—that you had helped to see they were properly equipped and fitted out?

Mr. ROSSBOTTOM. No. The *George Washington*—we have made some changes in her since I have been here. I have induced the Shipping Board to appropriate a sufficient amount of money to convert the open third-class steerage into closed rooms. That improvement will pay for itself in four months. I have also induced the Shipping Board to install third-class accommodations in the *Peninsular State* and the *Lone Star State*. I am only going to have those steamers for some four or five months, until they can turn over to other steamers to take their place. With open third-class steerage, I could not get one steerage passenger to sail on them; and I induced the Shipping Board to expend about \$75,000, which I told them they could charge to my operating costs, and inside of four months we will have paid back the cost of installing those rooms and have about \$50,000 to boot.

That is the result of Government operation, as stated by a man who knows the business. In his testimony he shows absolutely upon his own knowledge that they are making profits, even in spite of the fact that they have four old tubs which are 20 or 21 years of age, and for which he has been appealing to the Shipping Board to substitute good ships which are now in their possession. Why do they insist upon causing losses arising by the operation of unfit, improperly equipped ships when they have idle ships which could be put into that service? As Mr. Rossbottom says, if that were done, even without a subsidy, he would not take his hat off to anybody or to any country anywhere.

That is the plain language of Mr. Rossbottom's testimony. You can not escape it. He is as emphatic as he can be about it, and he knows what he is talking about. In spite of what appears to be an effort to make a failure out of that line by denying them the proper ships and insisting upon their operating these 20 and 21 year old tubs, and by playing politics in other ways with that line, he testifies that they are paying. Notwithstanding that every part and every branch and division of their bureau apparently is trying to make a failure of this line, they can not do it if they will only give this man a chance. He has already demonstrated and he says emphatically and positively that he can operate ships at a profit in that business without any question whatever, without any subsidy, if the ships are at all suitable for the business.

On page 377 he is asked:

Mr. ROSSBOTTOM. That is making no charge for interest or depreciation or insurance.

Mr. HARDY. Making no charge for interest, depreciation, or insurance?

Mr. ROSSBOTTOM. Or charter hire. I forgot to put that in. Of course, charter hire would take care of interest and depreciation, anyway.

Mr. HARDY. Yes. If you have interest, depreciation, and insurance, you would not put in the charter hire also?

Mr. ROSSBOTTOM. No.

Mr. HARDY. Making no charges for those items, in four months you had a net profit of some \$635,000?

Mr. ROSSBOTTOM. Net operating revenue; yes.

Mr. HARDY. And that notwithstanding you had some of those ships that were lame ducks and costing you money?

Mr. ROSSBOTTOM. That is right.

Do you say that is not a successful business? Do you say we have no right to claim that these people have been doing a profitable and successful business, in view of the testimony of Mr. Rossbottom?

On page 378 he gives this testimony:

Mr. HARDY. In this result you also counted in your depreciation, did you not?

Mr. ROSSBOTTOM. No.

Mr. HARDY. Nothing for interest, repairs, or depreciation?

Mr. ROSSBOTTOM. Well, repairs.

Mr. HARDY. Nothing except the repairs you had done?

Mr. ROSSBOTTOM. The repairs we make are included in that. The repairs the Shipping Board make, through their engineer of maintenance, those are not included, because I do not get those until about six months later on. They will be charged up to me in the regular course, but I have not received them yet.

Mr. HARDY. They are part of your regular charges?

Mr. ROSSBOTTOM. Yes.

That is with reference to the United States Lines; and it is the statement of Mr. Rossbottom, directly made in these answers to questions put to him, that justified, I contend, the averment in the minority report that these lines were being successfully operated.

With reference to the Panama Line, I quote Mr. Rossbottom again. Bear in mind that, upon orders of the War Department, Mr. Rossbottom was taken away from the Panama Line and put in charge of the United States Lines across the Atlantic. I refer to his testimony in these same hearings bearing on the Panama Line, at page 364:

Mr. BRIGGS. What experience did you have with reference to making money on those lines or losing money?

Mr. ROSSBOTTOM. We made money in the Panama Line up to about two years ago, when the depreciation in traffic and the reduction of rates resulted in a deficit, as it did with all other companies operating in that particular trade.

Mr. BRIGGS. Did you mean foreign as well as American lines?

Mr. ROSSBOTTOM. Foreign as well as American.

Mr. BRIGGS. To what extent did you make a profit on the operation? Just give us an average; I don't care for details.

Mr. ROSSBOTTOM. I think year before last—I am a little bit hazy as to the exact figures—I think the Panama Railroad Steamship Line made something like about \$1,400,000 or \$1,500,000.

Mr. GREENE. I can hardly see what is to be gained from these questions, what few of them I have heard.

Mr. BRIGGS. I simply want to ask some of these questions, Mr. Chairman, of the steamship operator's experience and his ability and what he has done along these lines—what the lines he has been connected with have earned, etc.—just general terms. I am not asking for details, but simply asking for a few of the facts in connection with his operations, his experience as a steamship operator, and whether he has conducted his lines successfully or not.

Mr. HARDY. It is a constant statement here that the Government can not make any profit out of anything.

Mr. ROSSBOTTOM. Last year I think the steamship line lost something like \$500,000. The year before the profit was \$1,500,000.

Mr. BRIGGS. How did it run prior to that time, if you recollect, prior to two years ago? Can you give the committee a general idea as to that?

Mr. ROSSBOTTOM. Yes; the Panama Railroad Steamship Line ever since it started, with the exception of probably two years, always made a profit ranging from \$89,000, which I think was the lowest, up to \$400,000, which I think was the highest, up to the time of the beginning of the war.

Mr. BRIGGS. The profits were higher during the war period?

Mr. ROSSBOTTOM. Yes, sir.

Mr. BRIGGS. About what return was that on the investment? Have you any idea?

Mr. ROSSBOTTOM. I think the average return on the investment of the Panama Railroad Co. in its ships ranged from 3 per cent up to probably 6 per cent, except during the war, when the return was higher.

Mr. BRIGGS. What was it then?

Mr. ROSSBOTTOM. It was then about 10 per cent.

Mr. BRIGGS. In figuring this per cent, do you include depreciation, interest charges, repairs, and things like that?

Mr. ROSSBOTTOM. Oh, yes; we carried every charge that every other steamship line carries.

That is the language of Mr. Rossbottom with reference, now, to the Panama Steamship Line. He was the general manager. Do you say they were not successful? For the past 20 years, every year except two—one during the recent unprecedented depression, and the other several years ago, when they had a rate war on, and they came out with a deficit—18 years out of 20 they made a profit of all the way from eight or nine thousand dollars to \$400,000 a year. Is not that a successful business? Nobody should question that, it seems to me.

With reference to the further testimony of Mr. Rossbottom on that subject, he was asked by the Senator from New York [Mr. CALDER], a member of the committee:

Mr. ROSSBOTTOM, you said a moment ago, as I recollect it, that the Panama Canal Line is operating at a profit?

Mr. ROSSBOTTOM. Yes.

Not "yes, if" or "yes, and," or "yes, but," but "yes."

Senator CALDER. Did you take into consideration the capital cost of the ships?

Mr. ROSSBOTTOM. Yes.

Senator CALDER. And the interest upon the capital cost?

Mr. ROSSBOTTOM. Yes.

Senator CALDER. In other words, you made a profit, allowing for interest charges?

Mr. ROSSBOTTOM. Interest, depreciation, insurance, and repairs.

Mr. CULLEN. That was always a good money-making line, was it not, Mr. Rossbottom?

Mr. ROSSBOTTOM. It was.

Mr. CULLEN. The Panama Line, even before the war?

Mr. ROSSBOTTOM. Yes.

In the face of that testimony are we justified in saying that they were doing a successful business? There is the man who had charge of it. Who wants to try to discredit the United States Lines and the Panama Line by saying that they have been failures, and thereby conclude that the Government is incapable of conducting a successful business or managing these ships without enormous loss and waste? These people seem to pride themselves whenever they can possibly demonstrate that they are burdening the people with insufferable losses, or making a most absolute and total failure of their efforts. I never before knew people to brag about their incompetency; and I can not understand, either, what prompts them on every occasion to try to pull down, underestimate, and undervalue this vast property which has been built up by the money of the taxpayers of this country.

If I have a horse for sale and I advertise him, and a purchaser appears, it is incumbent on me to let him look at the horse and tell him the facts about the horse, but if I say to him: "This is my horse, but he is one eyed, he is winded, he is wheezy, he can not eat anything, and he is liable to balk and stall the minute you start anywhere with him; what will you give me for him?" I am not likely to get many bids for a horse like that. These ships are only five years old, steel ships, with wonderful records of efficiency back of them—all of them, so far as I know, and I know the records of many of them—and yet these people want to say they are unfit and that about half of them are not good.

Mr. SIMMONS. Mr. President, I should like to ask the Senator a question. If the Government shall grant these people these subsidies that they say will make the business so profitable, do they propose to give full price for the Government ships or do they demand that the Government ships shall be turned over to them for a bagatelle in comparison with what they are worth?

Mr. FLETCHER. They propose, then, to let them have them practically on their own terms. If they can not get \$30 a ton they will probably take \$20, and then they will give the purchasers all the time they want with in 15 years to pay for them. They do not propose to ask anything like the real value of the ships. If they get approximately 10 per cent of the cost of each ship, I expect they will be satisfied. That is, of course, absurd—to insist that the Government shall give away the ships and then pay people to run them.

Mr. DIAL. Mr. President—

Mr. FLETCHER. I yield to the Senator from South Carolina.

Mr. DIAL. I wonder if the remedy would not be to get somebody else to sell them?

Mr. FLETCHER. Well, of course, they have not been doing very much in that direction. I am not disposed to be very critical about that. I know that the world conditions are such that we found ourselves, as every other country did, with an excessive tonnage on hand, and we could not sell them; but what is the sense of sacrificing absolutely temporarily unsalable property? You often have property that you can not sell at once, but that does not mean that it is worthless. You may have to hold it for a while. We have idle ships because commerce is not moving. The ships are intended to carry commerce. This United States Lines is doing well. It has been carrying passengers and making a profit, as Mr. Rossbottom has said. The Government line to Panama is making a profit. They carry passengers. They are mixed cargo and passenger ships. A number of cargo ships are idle because there are no cargoes; and putting \$50,000,000 into the pockets of a few shipowners will not create cargoes.

With reference to the compensation provided in this bill, I want to call attention to part of the minority report dealing with that matter. I do not believe that that has been questioned. So far as I am advised, this statement which we make in the report goes unchallenged:

For instance, a cargo ship of 5,500 gross tons, such as those vessels built at Hog Island, would receive a minimum compensation. Such a ship, along with practically 1,200 others—

The Associated Press carried that out as "12" all over the country—

with practically 1,200 others, composing our cargo carriers, would have about 200 steaming days a year, and make about 200 miles a day, and receive the one-half-cent rate, which would amount to about \$11,000 per annum.

That is the amount of compensation allowed for these cargo ships, what may be termed ordinarily as "tramps."

I want to call attention to a resolution passed December 7, 1922, by the Chamber of Commerce of the State of New York. The report of the Chamber reads:

Your committee on the harbor and shipping is strongly impressed with the conditions confronting our merchant marine and is of the opinion, substantiated by the experiences of the world's most successful maritime nations, that no nation can create and maintain a merchant marine worthy of its standing as a first-class power without an adequate fleet of tramp ships; and that the establishment and upbuilding of tramp operation and management is the only apparent employment for the vast amount of Government-owned tonnage suitable in type for tramp-ship operation. Furthermore, a merchant marine based upon liner or semiliner service exclusively will not afford the flexibility in ships necessary to meet adequately the seasonal demands for ocean transportation.

The commerce from our shores includes transportation of full shiploads of wheat, coal, oil, lumber, and other commodities of a similar nature. The commerce of our ports includes full shiploads of sugar, coffee, nitrate, etc. These commodities, because of our lack of tramp ships on the deep seas, are now largely carried by foreign vessels. These commodities, with others in part, form the backbone of a good many of our Nation's industries, and tramp ships should be operated to insure their proper and prompt movement.

Resolved, That the Chamber of Commerce of the State of New York unqualifiedly urges the creation, maintenance, and management of tramp operations as an integral part of our merchant marine, and it recommends that the United States Shipping Board take immediate steps to develop tramp shipping; and, be it—

That is the very point I am making with reference to this bill. It is full of weaknesses. It is impossible as a whole. The weakness of its compensation provision, if we adopt any system of compensation at all, is that it takes care of passenger ships, liner service, and does not take care of the tramp ships, the ships we need.

I want to call attention to the Shipping Board's report, just issued, the Sixth Annual Report of the Shipping Board, page 99. Perhaps that was one thing which called forth this expression from the Chamber of Commerce of the State of New York. Just as a preliminary statement, it would be of interest to quote this:

At the beginning of the fiscal year there were 97 managing agents operating 744 vessels. Owing to the falling off in export business and the tremendous losses involved as a consequence it was found necessary to reduce the number of vessels in operation and the active fleet was cut down during the year to 394 vessels as of June 30, 1922. This, of necessity, involved the elimination of a number of managing agents, who at the end of the fiscal year numbered 39.

In the interests of efficiency every effort was made to continue the same vessels as far as possible in the hands of the same managing agents in order that the agents, as well as the ship personnel, might become fully acquainted with the vessels and work them to their maximum earning capacity. There were times when substitutions were necessary by reason of vessels being forced out of position owing to accidents, delays, etc., but these substitutions were avoided wherever possible.

At the beginning of the fiscal year the above fleet was divided into two services, viz: The regular line service and the so-called tramp service. There were approximately 400 steamers operating in the regular line service and approximately 300 steamers in the so-called tramp service. It was evident from the beginning that these so-called tramp steamers were losing considerable money, and as no definite results could be attained in the interests of the American merchant marine by keeping these steamers in service they were promptly withdrawn and laid up, the board restricting its operation to the building up of regular trade routes considered essential to the future of the American merchant marine, as required by the merchant marine act, 1920.

Perhaps it was because of that announced policy on the part of the Shipping Board that this chamber of commerce awakened to the situation, and now make appeal to them to reverse that policy, or at least to be certain to take care of the "tramps," which they have laid up and taken out of the service. We had 300 of them in the service, they say. They are the ships which carry cargoes. They are the ships which do the world's trade. They have been from the very beginning of time the ships that carried the commodities of the world from market to market. They never were subsidized by any nation on earth, from the days when Tyre was a great Phoenician port, up to this time.

Those ships are the very ships about which the Shipping Board does not seem to care anything at all. They are the ships upon which we must depend to take care of our trade. They take them out of the service and tie them up. The "tramps" carry nearly 80 per cent of the world's trade. They are the ones about which apparently this board cares nothing, and they are the ones which would get practically no benefit under this compensation clause. Who is going to buy a ship for hundreds of thousands of dollars simply because he has a prospect of getting \$11,000 a year subsidy from the operation of that ship? That is all that is allowed the cargo carriers, about \$11,000. I read from the minority views:

It is not conceivable that this amount would induce purchasers to acquire those ships or be a very material figure in their operations.

On the other hand, for instance, the *George Washington*, 25,000 gross tons, would receive approximately \$300,000 per annum.

This ship on a recent voyage, just completed, made a profit over expenses of \$140,000.

Think of that. We are asked to pass legislation putting in the pockets of the owners of the *George Washington* \$300,000 a year, when on her last voyage, just completed, she cleared \$140,000. They do not dispute that fact. Yet here are the idle cargo carriers lying at our docks, which may get only \$11,000 a year under this compensation clause. I read further:

Is there any need for taxing the people \$300,000 a year to be paid out of the Treasury to this particular ship directly when she is, even in present circumstances, able to make a profit of \$140,000 per voyage?

I am dealing with figures which are down to date, not something which happened in 1919, 1920, or 1921, but in the present. I have been trying to get these people to bring the actual losses from operation down to date, not make guesses as to what is going to happen after September or October. These are actual figures. I read further:

Her sister ship—*America*—made a net profit of \$45,000 on her last voyage, and she would receive out of the Treasury annually a gift of \$300,000 under this bill.

These ships are 18½ knots, and it is estimated that they would sail 400 miles a day and have 220 sailing days, and they would receive 1.3 cents per gross ton for each 100 miles.

Does anybody question that? I have not heard anybody question it.

If these passenger ships carried mail they would receive the mail subsidy in addition to the compensation mentioned.

The Standard Oil Co. has approximately 100 ships, aggregating 700,000 gross tons. Even at the minimum rate they would receive, as the bill was introduced and reported—

That is what has been indorsed all over the country, and that is what the committee reported—

a subsidy in the shape of direct compensation, it is called, of about \$1,500,000 a year, notwithstanding they are engaged primarily in carrying products of their own. The bill was amended so as to eliminate this particular contribution to them as respects their own goods.

That is all. They get benefits besides that, but they are not allowed to enjoy this compensation, so much a ton per 100 miles, on their own goods. They were built to carry their goods. I read further:

The United States Steel Corporation has 35 ships, aggregating 200,000 gross tons. They are engaged in carrying their own products primarily, but they would receive out of the Treasury, as the bill was reported, and from this direct compensation, approximately \$500,000 a year. This, too, was eliminated by amendments, as applied to their own products.

The United Fruit Co. has 22 ships, 100,000 gross tons. On this compensation basis they would receive, as the bill was reported, about \$250,000 a year, although they were built and are operated primarily for the transportation of their own commodities. The amendment applied to these vessels respecting their own commodities.

The *William Penn*, 7,600 gross tons, our only ship equipped with the Diesel engine, recently made a voyage to the Orient, and her net profits were \$30,000—her speed 10 knots.

The operating expenses of these ships equipped with the Diesel engine is about two-thirds of the oil or coal burners. The oil burner is generally cheaper than the coal.

Under this bill the *Minnekahda*, 17,281 gross tons, 16½ knots, would have a rate of compensation 1 cent, and her subsidy would amount to \$150,000 a year. She is owned by the Atlantic Transport Line, affiliated with the International Mercantile Marine. We never understood they were in need of a subsidy or of any direct aid by way of compensation.

The Pacific Mail has 12 ships. They are rather slow and small, and they aggregate 60,000 gross tons, and the amount of compensation or direct subsidy for the entire fleet would be about \$150,000 under this bill.

It will be seen that one ship of 17,281 gross tons would receive as much compensation as an entire fleet of 12 ships of the aggregate gross tonnage of 60,000 would receive.

The *Leviathan* will be entitled to receive of this direct compensation \$1,250,000 per annum, which may be doubled.

That is the latitude they would have. Starting out with a contract on the *Leviathan* for \$2,250,000, make that contract for 10 years and before it expires make it for 5 years more, and you have \$2,250,000; for 10 years, \$22,500,000, given to the *Leviathan*, and possibly half as much in addition within the 15 years.

The liners—the passenger ships—are most liberally provided for, but even under the theory of the bill there is a neglect of the cargo carriers—the trading ships—the ships which move the world's commerce and have done it from time immemorial and are continuing to do it to-day, as this resolution which has just come to my hands to-day from the Chamber of Commerce of New York recites. Yet the Shipping Board is deliberately tying up every one of those ships, taking them out of the trade, and confining themselves to liner operations.

I think I have clearly demonstrated that what we have said in the minority report with reference to the successful business of the Panama Railroad Steamship Line and the United States Lines is fully borne out by the testimony before our committees; that what we have said about subsidies in that report is likewise borne out, as is what we have said with regard to the losses from operations not being clearly stated. However, I want to make one other reference in connection with the operation of the Panama Steamship Line, and that is found on page 2452 of the hearings. A statement

there appears showing the result of the operation of the Panama Steamship Line from 1911 to 1920, inclusive, and I ask to have that statement included in the RECORD without reading.

The PRESIDING OFFICER (Mr. BALL in the chair). Without objection, it is so ordered.

The statement is as follows:

Statement showing result of operations of the Panama Railroad Steamship Line from 1911 to 1920, inclusive.

Year.	Net revenue.		Net income.	
	Profit.	Deficit.	Profit.	Deficit.
1910.....	\$166,272.73	.....	\$166,272.73	.....
1911.....	76,416.09	.....	76,416.09	.....
1912.....	.....	\$305,742.85	.....	\$305,742.85
1913.....	221,489.92	.....	125,921.59	.....
1914.....	314,296.36	.....	218,646.67	.....
1915.....	499,833.42	.....	586,096.53	.....
1916.....	1,004,373.05	.....	1,055,584.90	.....
1917.....	1,162,830.46	.....	1,161,734.00	.....
1918.....	1,359,208.00	.....	1,262,764.49	.....
1919.....	3,125,812.24	.....	2,444,004.61	.....
1920.....	.....	117,676.56	.....	278,521.70

Mr. FLETCHER. There are some statements in the hearings, made a part of the hearings, with reference to that subject, but they would be merely cumulative. I have already put in the RECORD the positive statement of Mr. Rossbottom, and I do not need to burden the RECORD by referring to other hearings at different times where the subject was considered and which simply bear out and confirm what he said before the committee which was considering this particular bill.

Yes, Mr. President, we need a merchant marine, but that is not the same thing as saying we need to give a subsidy of at least \$30,000,000 a year for 15 years to induce a few people to own and operate it. Emphatically, we need a merchant marine. With equal emphasis I say a subsidy bill will not give it to us. It never has given it to us or to any other country. One way we may judge of the future is by the past. One lesson we ought to remember is the one we learned by experience. Another way of getting knowledge is by the study of the experience of others. These lessons are the same. Subsidies never established a permanent, substantial merchant marine for any country. There are many factors essential to establishing a merchant marine—banking facilities in foreign countries, competent commercial agencies, energetic representatives, proper organizations, representatives at all important ports with power to adjust differences, settle claims, speed operations, handle papers, place insurance, conduct financial arrangements, men who know the business. Much deeper than subsidy we must go to develop competitive strength in our shipping. A temporary stimulant will not accomplish the object.

But there are people who say we must do something. The Senator from Washington [Mr. JONES] said, "If you do not like this, propose something else." My contention is that we did propose something else in the merchant marine act of 1920, and that all that is needed is to live up to and enforce the provisions of that act. When departure in policy is proposed it is not incumbent upon those who propose it to demand of those who believe it unwise and vicious and unsound that they shall compromise with it by offering amendments. The only answer is its opposition and defeat.

But there are others who say, "You ought to do something. We are in a bad situation." All right; we are doing something. We have the act of 1920, as I have said. We have the ships. About one-third of them are being operated. Some of those are making a profit. They are earning considerably more than their expenses. Their earnings exceed every legitimate charge against them. They are not interfering with privately owned ships. Let us continue them in that service.

Others are losing money. Unless they are employed on new routes which give promise of a growing trade which will soon show a profit of transportation, they should be tied up. If they can be chartered on a bare boat basis, let us do that. It is an inexcusable waste to employ 100 vessels to do the work of 10. The vessels tied up are available to meet the demand when it comes. As sure as time elapses there will be an increase in foreign trade. We are now at a low ebb, if not the lowest ebb, and there is an excess of tonnage. There were two successful Government organizations, as we have shown—the Panama Steamship Co. and the United States Lines. The ships that are causing losses so loudly proclaimed should be turned

over to them. Stop the losses in that way. If that is not feasible, let the Government directly operate those ships just as it is doing the United States Lines, which is not suffering losses. It is a question of proper administration and efficient management.

As to idle ships, it is a question of cargoes, and they will not be forthcoming by paying money out of the Treasury to a few owners or operators. It is folly to tax the people to pay a few owners to sail empty ships flying our flag. When trade revives, overseas business improves, and commerce increases there will be a demand for those ships, and we can then dispose of them to advantage. I venture the prediction that within three years the ships we now offer at \$30 per ton will be worth \$70 per ton.

This will come about by natural and economic causes, not by any subsidy. Unless that happens before November, 1924, the party in power need not go to the trouble of putting up a ticket in the next national election. If they add this subsidy to the tax already bearing down the taxpayers, they may make the false claim that such a step hastened and increased the revival of commerce and of business prosperity, in which case the taxpayers may well say, "We are paying for that increase in good money, and we see nothing gained by taking money out of one pocket and putting it in the other." There will be an increase in trade, but it will not be due to any subsidy, no matter what it may be made.

I have said there is no need of keeping up the losses which it is claimed we are suffering. Nothing but stupidity, or determination to see failure, or reckless disregard by interests or bad management or some unnecessary condition could produce any such losses as are asserted.

We could tie up every vessel we own, care for them, keep up their classification, and insure them for not to exceed \$12,000,000 a year. That would then be the outside maximum loss if every ship the Government so owned was put out of commission and tied up. We could apportion them to the 22 or more deep-water ports of the country, keep them in fresh water, and have them properly cared for, ready for charter or sale or use on short notice, at a total cost not exceeding \$12,000,000 a year. As cargoes offered, as merchants, shippers, or others develop the business the vessels would be available for profitable employment. We showed a condition like that on yesterday when we discussed the use of our ships at the time of the great emergency in bringing coal to our people from England.

All the while we would have the satisfaction of knowing that we were not dependent upon any foreign country to move our products, commodities, or goods to foreign markets, or to bring to us the things we need. Nor would we be wanting in merchant ships should they be needed to serve with our Navy. When opportunity arose, as demand developed, when conditions warranted, the vessels would come out, enter upon employment, serve our commerce, and make profits which would go into the Treasury to be credited on the expense of the care and upkeep of the fleet. There are numerous ways to stop the loss so loudly proclaimed if those in charge of affairs would only see something besides the MO 4 contracts.

Mr. President, I have heretofore made some reference to those contracts; they are mentioned in the views of the minority on the pending bill; but there is a feature of them which I have not before mentioned and as to which I beg to use the name of a distinguished Member of the other House, a member of the Merchant Marine and Fisheries Committee, who attended very diligently to the hearings, Judge DAVIS. In his able speech on this bill he mentions a matter which had escaped me until I read it again to-day and which adds to the enormous cost of the MO 4 contracts. I beg leave to quote from his speech at page 147 of the CONGRESSIONAL RECORD of November 4. Referring to Chairman Lasker not having changed the MO 4 contracts, he says:

He has not only made such change but he called the managing agents of Shipping Board vessels together in Washington, June 21, 1922, and voluntarily adopted and announced a policy of paying such managing agents additional compensation in the shape of husbanding fees, under which since that time operators handling 5 vessels or less receive \$400 per month per ship in addition to the regular commission previously paid, and operators handling up to 10 vessels receive \$400 per month per ship for the first 5 ships and \$250 per month for each additional ship. It was announced by the Shipping Board at the time that this allowance of husbanding fees would add \$1,200,000 annually to the cost of operations, but it was estimated that more than this amount would be saved by new arrangements for subsistence—the allowance for subsistence being reduced from 80 cents to 65 cents per day per man at that time—stevedoring, and general supplies.

Why should not the taxpayers have been given the benefit of such savings? Why were these additional voluntary bounties given to the

managing agents, and by what authority? Was it done for the purpose of preventing a showing of profits, to the end that they might make out a stronger case for this ship subsidy bill?

There we have a continuance of the iniquitous MO 4 contracts by which the Shipping Board stands all the losses, the operating agents get 5 per cent commission on the business, and they are given here this additional amount, which is called "husbanding fees," besides. That is a monstrous thing. While I have Judge DAVIS's speech before me in connection with the testimony of Mr. Rossbottom, I wish to quote from his speech also, at page 137, November 24, as follows:

The Shipping Board is operating but 13 ships directly, or at least that was the number operating at the time of the hearings. They are operated in the name of the United States Lines, of which Thomas H. Rossbottom is manager on a salary of \$10,000 per annum. He is managing it for the Shipping Board, and although he has been operating these vessels in the North Atlantic trade, which is recognized as embracing the sharpest and the most pronounced competition of any section of shipping in the world, and although in part he was operating some "old German tubs," as he termed them, 21 years old, which he said no man could operate at a profit anywhere, yet with a few good vessels he has been operating the fleet at a substantial profit, and that, too, under the worst depression in the history of shipping and in competition with the strongest maritime nations on earth.

Mr. EDMONDS. Will the gentleman yield?

Mr. DAVIS of Tennessee. Oh, I know the gentleman from Pennsylvania is going to say that that did not include interest on the investment.

Mr. EDMONDS. And depreciation and advertising.

Mr. DAVIS of Tennessee. It included advertising. Mr. Rossbottom said that it did include advertising, but the profits he reported did not deduct anything for interest and depreciation. But the profit was sufficient to count and overcome interest and depreciation and still leave a profit, and he said if they would give him all the fleet like some of the ships he had he would not take off his hat to any nation on earth under any conditions. [Applause.]

You will find these facts fully stated in the hearings, and in this connection I want to say that if every Member of the House would read the hearings from beginning to end I know that this bill would not have any more chance of passage through this House than the proverbial snowball.

I have already referred to these alleged losses, and without going into that any further I desire to say that it seems to me we must appreciate that in any case these losses, whatever they may be, need not continue. They furnish no argument of justification for any subsidy whether they are maintained or lessened or not.

With reference to some other provisions of the bill, for instance, that with regard to the Army and Navy transports, I desire to say that one would suppose the Shipping Board had enough ships on their hands; one would suppose they would shy at taking over any more. They groan over the burden of tonnage which they wish to get rid of; they fairly boast of the terrific losses incurred in operating the ships; apparently the greater the loss the greater the glee; and yet they ask in this bill that with respect to the Army and Navy transports which have been rendering splendid service, economically and efficiently, the President be authorized to transfer to the board or to place out of commission any of the vessels now or hereafter engaged in either of such services.

I wonder if this board will not next ask us to have the Panama Steamship Line turned over to them. The audacity and assurance of an organization which shrieks its inability to operate ships without tremendous loss and enormous drains on the Treasury, and proves it to the satisfaction of the public, wanting to take over ships from the Army and Navy, both of which deny that they are incapable or incompetent, and certainly do not confess and establish and publish that they are, makes one gasp and wonder what next.

The joint committee sought to prove, and their information was it could be clearly shown, that the discontinuance of the Army and Navy transport service and the making of contracts with private parties, which such a discontinuance would bring about, would cost the taxpayers \$5,000,000 a year. The majority of the committee refused to summon the witnesses by whom it is believed these facts could be fully established. Title V, section 501, of the bill will work that benefit to private shipping concerns at a cost to the Treasury approaching \$5,000,000 per annum.

CONSTRUCTIVE PROGRAM.

There are those who say: "Propose something to help us get rid of or utilize these idle ships; suggest some constructive program." Very well; I have done that in what I have said. Abolish this organization that proclaims its failure and turn the ships over to real Government operators who have demonstrated their ability to make a success of what they undertake in the use and management of merchant ships. Otherwise reduce the enormous and unnecessary overhead; discontinue the MO 4 contracts, and operate directly the profit-

producing ships and tie the others up for the present. Otherwise distribute them to the different ports, care for them, and encourage the ports to take advantage of them, and get them in service as soon as possible. Either of these processes will put a stop to the harrowing losses which are stressed as a basis for subsidy raids.

Let us consider what has been taking place while subsidists have been engaged industriously in circulating and publishing propaganda to support their designs on the Treasury. They have deterred investment in shipping securities for years past by proclaiming that Americans can not compete with foreigners in the operation of ships; they have discouraged people from buying our ships now by saying that many of them are poorly constructed and will have to be readjusted and reequipped and refurnished; they have for years discouraged and restrained financial interests from assisting in any way in the development of the shipping industry and the shipping business in this country, waiting, and laying the foundation for their appeal for governmental aid and subsidies.

Without any subsidy whatever—and this is what we have seen—the privately owned American mercantile marine has been making progress unequaled by any maritime power in the world. Apparently no one knows that. According to the arguments and the advertising statements of the subsidists, America is in a pitiable plight respecting her shipping interests. Let us look at the statistics on that subject for a moment. Referring, for instance, to the sixth annual report of the Shipping Board, we find under the head "Total United States merchant marine and tonnage employed in foreign trade," at page 111, that in the year 1800 our total merchant marine was 1,458,738 dead-weight tons, of which in the foreign trade 1,000,661 tons were employed. Of course, those were years when American ships were carrying a very large proportion of our trade. In those times American ships were about 30 or 40 tons, and they sailed around the Horn—brave, energetic fellows—and pushed our trade into China, where the most we had to offer was ginseng and rum, and brought back from China tea, silk, and like commodities. In other words, our trade in those days was comparatively small and the American ships carried a relatively large proportion of it.

I wish to put the whole table in the RECORD, not the illustrations, but merely the figures as to the total merchant marine and tonnage in foreign trade and the years as the figures are given on page 111 of the report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total United States merchant marine and tonnage employed in foreign trade.

Fiscal year.	Total dead-weight tonnage, merchant marine.	Dead-weight tonnage in foreign trade.
1800.....	1,458,738	1,000,661
1810.....	2,137,175	1,471,529
1820.....	1,920,251	874,483
1830.....	1,787,664	808,345
1840.....	3,271,146	1,144,257
1850.....	5,303,181	2,159,541
1860.....	8,030,802	3,569,094
1870.....	7,369,761	2,173,259
1880.....	6,102,051	1,971,603
1890.....	6,636,746	1,392,093
1900.....	7,747,258	1,225,193
1910.....	11,262,123	1,173,776
1917.....	13,306,556	3,061,164
1920.....	25,027,342	15,692,631
1921.....	27,538,464	16,819,943
1922.....	27,784,989	16,279,371

Mr. FLETCHER. In 1922 our total merchant marine was 27,784,989 dead-weight tons, and in the foreign trade 16,279,371 dead-weight tons were engaged. That means, I take it, that we have that amount of tonnage registered and documented for the foreign trade; it does not mean that that tonnage is actually engaged in the foreign trade, and, to that extent, the statement may be a little misleading.

Then, on page 117 of this report we have a statement showing United States shipping in foreign trade. The black lines indicate the percentage by value carried in American bottoms and the white lines the percentage by value carried in foreign bottoms. Without the illustrations, I should be glad to insert this table in the RECORD, giving the years, the value in millions of exports and imports, and the percentages marked "Foreign" and marked "American."

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

United States shipping in foreign trade.

Year.	Value in millions, exports and imports.	Percentage by value carried in American bottoms.	Percentage by value carried in foreign bottoms.
		<i>Per cent.</i>	<i>Per cent.</i>
1789.....		24	76
1800.....	\$159	89	11
1810.....	151	92	8
1816.....	231	70	30
1820.....	142	90	10
1830.....	144	90	10
1840.....	239	83	17
1850.....	330	72	28
1860.....	762	66	34
1870.....	991	35	65
1880.....	1,433	17	83
1890.....	1,573	13	87
1900.....	2,089	9.3	90.7
1910.....	2,983	9	91
1914.....	3,785	9.7	90.3
1919.....	8,960	27.8	72.2
1920.....	11,875	42.7	57.3
1921.....	8,910	39.8	60.2
1922.....	5,523	34.6	65.4

Mr. FLETCHER. Mr. President, on the subject of the growth and development of the American merchant marine I wish to put in first the statement by Mr. Lasker, as chairman, dated December 2, 1922, in answer to certain questions which I propounded to him at that time. Among other facts it shows that they are operating now 410 vessels, with a total dead-weight tonnage of 3,348,619. That is the dead-weight tonnage of the Shipping Board now being operated. Therefore, assuming that all that is engaged in foreign commerce—it is not, but just for the moment let us suppose that it is—we may be able to reach a more or less definite conclusion as to how much privately owned American tonnage is engaged in foreign trade.

Referring to the report of the Department of Commerce, Bureau of Navigation, November 1, 1922, giving American documented seagoing merchant vessels of 500 gross tons or over, we find, at page 40, a table headed, "Comparison of trade of vessels in the preceding list on specified days." It gives the total number of American seagoing vessels in foreign trade as 2,219; tonnage, 9,717,356. Total number in the coasting trade, 1,391; gross tonnage, 2,542,923. The total number of American vessels, therefore, registered and documented, is 3,610, with a gross tonnage of 13,200,279. If we should deduct the 3,348,619 dead-weight tons operated by the Shipping Board, we would have in foreign trade American vessels of 9,717,356 tons less 3,348,619, being 6,368,737 tons of American shipping engaged in foreign trade. That, however, is somewhat misleading, I am afraid, and it is very difficult, if not impossible, to know exactly what tonnage we have under our flag in foreign trade; but all of those vessels so registered and documented are not engaged in foreign trade. Some of them are engaged in coast-wise trade, although they are qualified to engage in the foreign trade.

I offer this complete table, furnished me by the Shipping Board and carrying the information that it purports to carry in response to the questions propounded, showing the situation to-day concerning the Government-owned vessels. I ask that it be printed in the RECORD at the close of my remarks, marked with the initials of the Shipping Board, "S. B.," together with the letter of transmittal.

The PRESIDING OFFICER. In the absence of objection, the table and letter will be printed at the close of the Senator's remarks.

Mr. FLETCHER. Then I offer, to be printed in the RECORD, a copy from the Bulletin of the Department of Commerce, Bureau of Navigation, November 1, 1922, showing the list of American-documented, seagoing merchant vessels of 1,000 gross tons and over. Without troubling to read it, I ask that that be inserted in the RECORD, following the other statement, marked "A"; also "B," attached; also "C," attached; also "D," attached.

There being no objection, the matter referred to was ordered to be printed in the RECORD.

Mr. FLETCHER. Then a further statement showing world tonnage at different dates—world tankers, world oil burners—and a comparison of ownership of documented vessels on specified dates; and attached to that is a copy of the statistics furnished in this Commerce Report, which I ask also to be attached as a part of my remarks at the close.

The PRESIDING OFFICER. In the absence of objection, they will be incorporated as requested.

Mr. FLETCHER. Mr. President, I submit that these data contradict any sort of inference that the United States is in a bad way regarding the American merchant marine; and all this has been built up without any subsidy, if we may for the moment disregard the mail-contract subvention which we have heretofore referred to. There has been no subsidy policy adopted by the Government. These statistics will show what our shipping was in 1914 and what it is to-day. They will show the development in a really marvelous way of American shipping interests. The American mercantile marine privately owned in overseas trade, I submit, has been "doing fairly well, thank you," and winning its own way standing on its own sea legs, and, I am persuaded, needs to ask no favors. All it wants is for Congress to cease hindering and hampering it by such provisions as the amendment to the tariff bill whereby it is proposed to tax American ships 50 per cent on repairs they may make in foreign yards, thereby increasing their insurance and adding to their operating cost.

Most of the American lines, coastwise and foreign, have increased their fleets out of the profits they have made. I know that is denied in some quarters. It has been claimed that many of these private lines are losing money, and have been losing money for some time past. An illustration was made of a certain line that was claimed to have charged off to profit and loss \$1,500,000 last year, or something like that. The truth about it is that that line did not lose that money in operating ships at all but in respect to some oil speculations and pipe lines in France.

The facts in connection with how these American privately owned lines are succeeding appear pretty well in these hearings. Eight men owning ships testified before the committee. Not one of them claimed that they were losing money. No one asserted any such thing as that. I have here, in response to that statement which has been made and published in the RECORD, a letter from Mr. Philip Manson, dated December 13, which has just reached me, in which he refers to some of these statements, and particularly a statement made by Mr. Craemer, who is the special assistant to the vice president in charge of finance, I believe. He analyzes Mr. Craemer's statement, and I think I will take the liberty of quoting from what Mr. Manson writes, because he has been a student of this subject for years; he has had experience in shipping and keeps thoroughly well posted about what is going on. He writes:

Craemer says that "the profits earned by American shipowners during the war were restricted by governmental action, so that the return on his investment was very materially less than that earned by his foreign competitors." Governmental restrictions on the earnings of American shipping took place only after we entered the war. For nearly four years American ships were totally unrestricted as to earnings, and the highest rates were charged by American ships. Great Britain's shipping, the only competitor we need consider, was restricted all through the war and was commanded by the British Government upon terms very much less favorable to the owners than was the case with American shipping when our Government, functioning through the dollar-a-year advisors, consisting of the principal steamship owners themselves, fixed the compensation for their own ships. One could write volumes on this, and it is particularly aggravating to have a Shipping Board official now falsify the facts in aid of the infamous subsidy bill. He says further that "during the period of the highest freights all American ocean-going tonnage was under requisition to the Government and the owners' return limited thereunder to the comparatively moderate charter rates established by the Shipping Board." This statement is misleading in two respects: The highest rates prevailed during the period prior to our entry into the war, and the charter rates established by the Shipping Board, as I have already stated, were far from being moderate.

Craemer says that "Government taxation reduced the earnings of the American owner to a point far below that of his foreign competitors." Our taxation never approached in severity that of Great Britain.

In his attempt to show the meagerness of the earnings of American steamship companies Craemer shows that during the last six years, including the bad year of 1921, the Atlantic, Gulf & West Indies Steamship Co. averaged only 8.52 per cent on its "invested capital," in which he includes over \$28,000,000 stock, all water. The actual invested capital of that company would fall far short of its bond issue, which totals only \$24,000,000 in round figures.

Craemer also repeats the buncombe regarding the change in the par value of the Pacific Mail Steamship Co. stock from its former utterly fictitious figure of \$100 a share to \$5 a share, and says that this was done to wipe out a deficit. This is utterly false. The cash distributed by that company to its stockholders from the proceeds of the sale of its fleet of ships to the I. M. M. Co. was far more than the real worth of that stock, reckoned on a basis of invested capital, and the changing of the par value of that stock afterwards was purely a bookkeeping transaction. In fact, the stock sold for more than \$40 a share for a long time after the change to \$5 par. This company also averaged a "beggary" return of only 18.50 per cent during the last five years, including the bad year of 1921, when most companies showed losses, this being true for 1921 of practically all commercial companies as well as steamship companies.

Then Craemer says, referring to the earnings of the I. M. M. Co., that its earnings during the last four years averaged 8.01 per cent on its "invested capital," and the value of his statements is indicated by the fact that he includes in the "invested capital" of the I. M. Co. a total of about \$100,000,000 common and preferred stock, all of which is sheer water.

Then, after showing average earnings of 16.38 per cent for the United Fruit Co. during the last seven years, he undertakes to belittle that by saying that it is mostly from other than shipping operations. The fact, however, is that its shipping business, no matter what proportion it bears to the whole, is its most profitable business.

He winds up his bunk statement, to use one of Lasker's characteristic expressions, by saying that other industries earned larger profits during the war, as if that made any difference, even if it were true. He also attempts to make capital of the fact that the common stock of the I. M. M. Co.—all the most worthless water, having value only for its voting rights—has never paid a dividend, and the dividends of the preferred stock of this company being 42 per cent arrears, although that stock is also all water. He makes similar argument in regard to the common and preferred stock of the A. G. W. I. Lines, which, he says, have had dividends for only a few years, the fact, however, being that these stocks are also water and represent no actual money investment. Of the Luckenbach Line he says: "The Luckenbach Steamship Co. has never declared a dividend." This must be a trick play on the word "declared," because everyone knows that the Luckenbachs have made millions during and after the war, and are constantly adding new ships to their extensive fleet even now, notwithstanding that subsidists say that it is impossible to operate ships under the American flag. The recent hearings before the joint committee contain evidence as to the very large earnings of the Luckenbach Steamship Co. The statement regarding the Luckenbach Line in Craemer's letter is, however, characteristic of the dishonest character of nearly everything else stated in that letter.

He (Craemer) also refers to the fact that the Pacific Mail Steamship Co. has paid dividends during only 9 of 49 years of its existence—that is, the last 49 years. As you know, I have several times exposed, before committees of Congress and in the public press, the manner in which the stockholders were swindled out of their dividends for many years by the Pacific Mail Steamship Co. when it was controlled by the Southern Pacific Railroad Co., so I will not take the time or space to repeat it again here.

That bears on the question of disabusing the mind of the public regarding these losses, or claimed losses, that private shipping has been enduring. As a matter of fact, the shipping business has been a very profitable business in this country, and many of these lines have made enormous amounts of money. They did before the war. However, I am putting in this material to show that American shipping has developed and prospered wonderfully in the past years, since 1914 particularly, and that without any subsidy whatever. Just now some of them feel the depression. In some instances they must pass dividends, but that is the case all over the world. "Normalcy" approaches with divers' weights, but conditions ere long will become either very much better or very much worse. In either case subsidy will not be effective.

It has been charged by ardent advocates, propagandists, and subsidy-soliciting beneficiaries that opponents of this measure are actuated by partisan political motives or prejudices. This is really unworthy of notice. The chairman of the committee has stated that the bill raises questions about which honest men differ, and which are clearly controversial in their nature. I have advocated for 10 years the importance, and, as I saw it, the necessity, of building up and establishing an adequate American merchant marine. It is simply a question of the ways and means of accomplishing that end. We all agree on what is desired. How to do it is the question.

I have always opposed subsidy as a policy. I do not believe in the principle. I am convinced, and have always been of that thought, that subsidy will retard, not establish, a mercantile marine. I have studied the history of subsidies, and in my judgment the countries which have done most in that direction have accomplished least. Farmers' organizations throughout the country are against subsidy, and have declared against this measure. That confirms and enforces the views I hold. The American Federation of Labor is strongly against the bill. That, again, does not change my view of the matter; it accords with the conception which I have formed.

Neither is it because the Democratic Party in its platforms has repeatedly declared against subsidy as a policy of the Government that I hold to the view expressed in a speech here last July, and to the minority views set forth regarding this very bill. Numerous disinterested newspapers earnestly oppose this measure and protest against it. All these forces simply tend to confirm my conviction that the policy is wrong.

In that connection I noticed recently in the Washington Times of December 11, 1922, what appears to be a sort of change of heart or mind. Heretofore this publication has been urging the passage of this subsidy bill. In this editorial they say:

The Government of the United States should establish the first navy of democracy and go into public ownership of seagoing vessels on the most gigantic scale.

How are you going into public ownership of vessels when the purpose here is to have all vessels pass to private hands? I read further from this editorial:

This Nation should do its own carrying, and the carriers—great ships of high power and high speed—should each of them have on shore a sufficient number of cannon and movable steel decks to be used in case of attack.

The Government should have on lakes and rivers boats of the highest speed, earning a living. They could carry passengers, carry the mail. They should be equipped with torpedo tubes.

That does not sound like what they have been heretofore advocating, it seems to me; at least, that is what I claim. We are not losing anything when the United States Government has and owns these ships, and until the time comes when they can be reasonably and properly turned over to private hands we are in position to be independent as to our shipping, protect ourselves in time of trouble, and take care of our commerce in time of peace.

I believe the principle asserted by the bill is unsound and unwise, and that the legislation will result in harm to our shipping industry. It itself defeats the purpose of its advocates, and it will hold back rather than help the progress and proper development of our merchant marine. It will cause the concentration of ships in a few hands, where they will be used to enrich their owners rather than serve American commerce.

It will cause the focusing of routes of trade in a few selected ports against the interests of interior shippers and to the destruction of other important ports along our stretch of ocean and gulf coasts. It offers a premium on inefficiency. It vests the power of life and death over ports and terminals, over routes and shipowners and shipbuilders, in a board which might exercise that power in a way that would be destructive of the general good and the public interest. It contains provisions particularly vicious and indefensible, in that it permanently appropriates (page 25 of the bill, subdivision (d)) all moneys in the merchant marine fund for the purpose of making payments for compensation contracted for within the limits of \$30,000,000 a year, and the refunds of overpayments as mentioned in the bill.

In this merchant marine fund will be all the tonnage duties, tonnage taxes, or light money, amounting to approximately \$4,000,000 a year; also 10 per cent of the amount of all customs duties paid under law, which will doubtless approximate \$45,000,000 a year; also 50 per cent of the earnings in excess of 10 per cent net, the amount of which is questionable. These funds are by this bill permanently appropriated for 10 years with authority in the Shipping Board to continue it for five years more, to be expended on the orders of the Shipping Board, with no power or right or authority reserved to Congress over such funds during that period. Thus \$450,000,000 are, in effect, appropriated and placed at the disposal of the Shipping Board, to be disposed of as it sees fit in the making of contracts for subsidy with the various applicants.

Another provision allows the board to double the subsidy contracted for, and in case the subsidy is increased outside the contract, or without a contract, Congress will have the poor privilege of making appropriations to cover such increases.

The House provision, at page 23 of the bill, line 18, provides:

No expenditures shall be made from the "merchant marine fund" except out of the appropriations made annually therefrom by Congress for carrying out the purposes of this act.

That the committee proposes to strike out. A very substantial and vital change is reported by the committee in that respect. It destroys all control by Congress over the disposition of that merchant marine fund. Striking that amendment out makes it necessary to insert, on page 25, line 16, the word "permanently," and to strike out the words "authorized to." Then inserting the proviso in section 410 "that no expenditures shall be made from the merchant marine fund because of any increased compensation granted under the terms of paragraph (c) of section 410, except out of the appropriations made annually therefrom by Congress," is really a species of camouflage. There is nothing substantial in that amendment. All the Shipping Board has to do to make it utterly a nullity and valueless is to put in their contracts provisions for such increases as they think they may be possibly prompted to make hereafter. This simply provides for such increases as are made outside of the contract or where there is no contract; but where there is a contract which in itself provides for increases that provision does not apply, and all the Shipping Board has to do is to put into each contract a specification as to the amount of compensation and then provide for such increases as the board may think in the future it may make. So there is nothing of any value in that amendment. No substantial change of any material moment is made by the adoption of it.

Mr. JONES of Washington. Will the Senator permit an observation there?

Mr. FLETCHER. Certainly.

Mr. JONES of Washington. I just want to say to the Senator that I do not agree with his construction of that provision, but if his construction is correct, or if there is any doubt about it, I am in favor of making it perfectly plain, because it was not my intention, at least, that that provision should be gotten around by a mere provision in a contract. If there is any doubt about that I am in favor of making it perfectly clear.

Mr. FLETCHER. I am glad to hear the chairman say that. I am quite sure that if he studies it very carefully he will reach the same conclusion I have reached about it, and I hope he may be able to modify the amendment so as to reach the view he has of it, but as it is framed at present it seems to me utterly worthless.

The appropriation is permanently made for 15 years to take care of such increases as they may decide to make and as they could make if they make mention of them in the contracts. Other benefits of the bill I will not take the time now to review. I call to mind, first, the mail monopoly, \$5,000,000 benefit to American ships. Second, the loan fund at 4½ per cent. Third, insurance; a good deal of help is provided under that provision. Fourth, reduction of taxes by reason of depreciation, wear and tear, and obsolescence. It is unusual to make an allowance for obsolescence, which may be deducted. Then the most extraordinary provision under the head of depreciation is that allowance may be deducted for decline in value of the ships. In other words, AB bought ships in 1914, we will say, and paid \$200 a ton for them.

To-day the market value of those ships is \$30 a ton; and it will not be over that, because we are fixing the market price of ships when we are offering our tonnage at \$30 a ton. Now, AB comes in and says, "My income this year was \$100,000, but the depreciation in the value of my ships from \$200 a ton down to \$30 a ton wipes out that \$100,000." That is the meaning of that provision.

Fifth, direct compensation. Thirty million dollars a year is appropriated out of that fund, and it may amount to \$45,000,000 from duties and \$4,000,000 from tonnage dues, making \$49,000,000. Besides that there may possibly be some further excess profits above 10 per cent. I do not figure much on that, because they can well manipulate that by increasing salaries and otherwise.

Sixth, immigration. That is a very helpful provision in the bill if we can carry it out, and I can see no reason why we could not. Mr. Rossbottom in his testimony regards that as the one essential thing. That is the only help he has ever suggested to American shipping—to provide a way whereby American ships should bring immigrants to this country.

Seventh, Officers and supplies of the Government must all be carried in American ships. That is another provision of a helpful nature—the Army and Navy transport provision providing that hereafter those transports must be taken out of that service and turned over to the Shipping Board or tied up and all supplies, officers, men, and so forth, must be carried hereafter in private ships under private contracts. There would be \$5,000,000 or \$6,000,000 a year more.

Ninth, Through routes by rail or water from shipping point to destination and the foreign bills of lading provision are of value to American shipping.

I have no objection to things of that kind; that we ought to provide for and I think we have done so in the merchant marine act of 1920. Then we ought to stop, as I said, hindering and hampering and interfering with our merchant ships by imposing such duties as 50 per cent of the cost of repairs in foreign ports on American vessels, and other things of that sort.

Mr. President, I may have a few observations to make a little later on with reference to some phases of the question which have escaped me in the discussion up to this time, but at present I feel that I ought not longer to tax the patience of the Senate, and therefore I yield the floor.

APPENDIX.

UNITED STATES SHIPPING BOARD,
Washington, December 2, 1922.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I regret that I have not been able earlier to furnish you with the information requested in your letter of November 25. I was anxious for you to have just as complete information on the questions raised as possible, and the necessity for compiling this information, together with the demands on the departments concerned to furnish information to Members of the House who were actively directing the shipping bill during the last several days, has occasioned the delay. I hope it has not inconvenienced you.

The answers are given on the attached sheet.

With kindest regards, I am,

Sincerely yours,

A. D. LASKER, Chairman.

1. How many ships of the various kinds have been built by the Shipping Board, together with the tonnage of each kind?

Total construction program (including all types).

	Number vessels.	Dead-weight tonnage.
Steel.....	1,693	11,614,961
Wood.....	589	1,883,230
Composite.....	18	63,000
Concrete.....	12	73,500
Total.....	2,312	13,636,711

(Details of number and dead-weight tonnage of each type constructed are shown on attached sheet marked Question No. 1.)

2. To be answered by Ship Sales Department.

3. To be answered by Ship Sales Department.

4. How many vessels are now being operated, and the kind?

	Number vessels.	Dead-weight tonnage.
Steel:		
Vessels.....	398	3,348,619
Tugs.....	12	
Total steel.....	410	3,348,619
Wood: Tugs.....	10	

(Details of types of active vessels, showing number and dead-weight tonnage, shown on attached sheet marked Question No. 4.)

5. How many vessels are now tied up, and the kind?

	Number vessels.	Dead-weight tonnage.
Steel.....	897	6,441,666
Wood.....	8	24,386
Concrete.....	9	54,861
Total.....	1,004	6,520,913

(Details shown on attached sheet marked Questions 4 and 5.)

6. How many of the total number of steel ships that we own are passenger ships?

	Number vessels.	Dead-weight tonnage.
Passenger vessels.....	40	472,922

(Three coolie carriers, of a total of 11,395 dead-weight tons, not included in the 40 passenger vessels.)

7. How many ships and the kinds has the board acquired by purchase and otherwise?

The number of vessels acquired by the board since its beginning to date by seizure (ex-German and Austrian vessels) and by purchase have been as follows:

Type.	Number vessels.	Dead-weight tons.
SEIZED VESSELS.		
Cargo.....	48	279,837
Passenger and cargo.....	36	347,018
Sailing vessels.....	9	24,570
Colliers.....	7	32,392
Motor.....	1	
Barge.....	3	
Total.....	104	683,817
PURCHASED VESSELS.		
Cargo.....	45	289,452
Passenger.....	5	22,904
Colliers.....	12	39,888
Tugs.....	13	
Total.....	75	352,244
Total seized and purchased vessels.....	179	1,036,061

Attached, for information, is copy of statement showing number and dead-weight tonnage of vessels at present controlled by the United States Shipping Board, segregated according to type and form of acquisition.

Questions answered by ship sales department.

2. How many ships of the various kinds have been sold to which title has passed finally?

Vessels sold or transferred and title finally passed.

	Sold.	Transferred to other departments.	Total.
Cargo.....	242	14	256
Passenger and transports.....	21	9	30
Tankers.....	54	12	66
Refrigerators.....	1	3	4
Tugs and barges.....	24	8	42
Total.....	352	46	398

3. How many ships of the various kinds have been sold under contract where the vessels have not been taken back?
Vessels sold, on which title has not finally passed, and still in hands of purchasers—cargo, 2.

QUESTION NO. 1.

Construction program of the United States Shipping Board Emergency Fleet Corporation.

1. VESSELS DELIVERED.

	Number.	Dead-weight tons.
A. REQUISITIONED STEEL.		
Cargo.....	300	1,929,739
Tanker.....	53	519,030
Refrigerator.....	11	86,200
Transport.....	9	71,975
Collier.....	9	70,330
Passenger and cargo.....	2	9,972
Total.....	364	2,687,266
B. CONTRACT STEEL.		
Cargo (United States).....	1,086	7,296,205
Cargo (Japan).....	30	243,290
Cargo (China).....	4	40,000
Tanker.....	73	713,000
Tanker (Navy).....	12	131,000
Transport.....	13	107,800
Refrigerator.....	8	75,200
Passenger and cargo.....	23	299,000
Barge.....	6	22,200
Total.....	1,255	8,927,695
Total steel vessels.....	1,639	11,614,961
C. CONTRACT WOOD (according to original design).		
Cargo.....	304	1,121,350
Barge.....	28	71,000
Subtotal.....	332	1,192,350
CONTRACT WOOD (according to altered design).		
Tanker.....	1	4,700
Finished hull.....	115	447,700
Sailing vessel.....	10	34,500
Barge (converted).....	56	206,000
Subtotal.....	132	692,900
Total.....	314	1,885,250
D. CONTRACT COMPOSITE.		
Cargo.....	18	63,000
E. CONTRACT CONCRETE.		
Cargo.....	4	13,500
Tanker.....	8	60,000
Total.....	12	73,500

QUESTION NO. 1—Continued.

Construction program of the United States Shipping Board Emergency Fleet Corporation—Continued.

1. VESSELS DELIVERED—continued.

	Number.	Dead-weight tons.
F. TUGS.		
Steel ocean.....	46	
Steel harbor.....	8	
Wood ocean.....	13	
Wood harbor.....	62	
Total.....	129	
Grand total.....	2,312	13,636,711

QUESTIONS NOS. 4 AND 5.

Status of vessels controlled by the United States Shipping Board Emergency Fleet Corporation, from data received as of November 25, 1922.

STEEL VESSELS.

	Number.	Dead-weight tons.
ACTIVE.		
Cargo (operating in specified services, United States ports to foreign ports).....	297	2,491,108
Passenger and cargo (operating in specified services, United States ports to foreign ports).....	24	296,759
Cargo (United States coastwise).....	4	16,716
Cargo (between foreign ports).....	14	91,731
Coolie carriers and cargo (between foreign ports).....	3	11,395
Cargo (intercoastal).....	6	52,503
Tankers (United States to foreign ports).....	11	102,823
Tankers (United States coastwise).....	1	9,909
Cargo (at sea assigned for tie-up (includes 1-3525 B/B)).....	8	60,662
Cargo (Army service).....	1	10,013
Cargo (chartered to independent companies).....	9	30,717
Tankers (chartered to independent companies).....	2	15,665
Tugs.....	12	
Total active.....	392	3,190,001
TEMPORARILY INACTIVE.		
Cargo (repairing or awaiting repairs).....	10	82,262
Passenger and cargo (repairing or awaiting repairs).....	3	33,636
Cargo (in port, awaiting tie-up).....	1	9,740
Cargo (awaiting cargo).....	2	17,240
Cargo (idle account pier congestion).....	1	5,740
Tanker (in port awaiting tie-up).....	1	10,000
Total temporarily inactive.....	18	158,618
INACTIVE.		
Cargo (tied up).....	874	5,551,234
Passenger and cargo (tied up).....	12	127,527
Cargo (tied up but assigned).....	5	49,870
Cargo (awaiting assignment).....	9	69,545
Tankers (tied up).....	64	587,806
Tanker (awaiting assignment).....	1	9,799
Cargo (delayed ship sales).....	1	5,610
Passenger and cargo (reconditioning).....	1	15,000
Cargo (custody United States Shipping Board as mortgagee).....	2	15,821
Tugs (tied up).....	17	
Cargo (contract unfinished).....	1	9,400
Total inactive.....	987	6,441,615
CONCRETE VESSELS.		
Cargo (tied up).....	2	6,078
Tankers (tied up).....	7	48,733
Total concrete vessels.....	9	54,811
WOOD AND COMPOSITE VESSELS.		
Cargo (tied up).....	6	24,386
Tugs (active).....	10	
Tugs (tied up).....	2	
Total wood and composite vessels.....	18	24,386
Grand total, all vessels.....	1,424	9,809,482

¹ Total does not include 7 Army transports of 49,235 dead weight, title to which is vested in board, although physical delivery to board has not been effected.

The bulletin of the Department of Commerce, Bureau of Navigation, November 1, 1922, shows the list of American documented seagoing merchant vessels of 1,000 gross tons and over to be—
Total steel vessels, 2,362; giving 11,352,982 gross tons.
Total wood vessels, 324; giving 792,687 gross tons.
Total steam and gas vessels, 2,686; giving 12,145,669 gross tons, or 17,419,734 dead-weight tons.

To this should be added the sailing vessels of 1,000 gross tons and over, American documented seagoing vessels, to wit—
Total steel vessels, 103; giving 204,287 gross tons.
Total wood vessels, 325; giving 527,651 gross tons.
Total sail vessels, 428; giving 731,938 gross tons.

On June 30, 1914, we had—

242 wood sailing vessels and schooner barges, giving	gross tons	387,485
76 steel vessels, giving	do	140,918
Also steam and gas vessels—		
8 wood vessels, giving	do	10,595
429 steel vessels, giving	do	1,589,733
755 vessels (total)	do	2,128,731

On October 31, 1922, we had sailing vessels and schooner barges—		
325 wood vessels, giving	gross tons	527,651
103 steel vessels, giving	do	204,287
Steam and gas vessels—		
324 wood vessels, giving	do	792,687
2,362 steel vessels, giving	do	11,352,682
3,114 vessels (total)	do	12,877,607

In addition to the above there are American documented seagoing merchant vessels of 500 to 999 gross tons.

Total steam and gas, 111 vessels; 33,329 gross tons.

Sailing vessels of 500 to 999 gross tons, 385 vessels; 299,343 gross tons.

On October 31, 1919, American documented seagoing merchant vessels engaged, there were		
2,174 vessels (in foreign commerce)	gross tons	7,708,105
840 vessels (in coasting trade)	do	1,628,075

8,014 vessels (total)	do	9,336,180
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On October 31, 1922, of these vessels, American documented seagoing merchant vessels, there were—

2,219 vessels (in foreign trade)	gross tons	9,717,356
1,391 vessels (in coasting trade)	do	3,542,923

3,610 vessels (total)	do	13,260,279
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QUESTION NO. 7—SUPPLEMENT.

Vessel property owned and controlled by the United States Shipping Board Emergency Fleet Corporation.

(Compiled as of November 25, 1922)

	Total.		Contract.		Requisitioned.		Purchased.		Seized enemy.	
	Number.	Dead-weight tons.	Number.	Dead-weight tons.	Number.	Dead-weight tons.	Number.	Dead-weight tons.	Number.	Dead weight tons.
STEEL VESSELS.										
Steam:										
Passenger and cargo	43	484,317	26	287,900					17	196,417
Cargo	1,230	8,457,896	1,001	6,873,799	199	1,357,223	17	143,585	13	83,289
Tankers	80	736,002	66	628,718	13	106,134	1	1,150		
Refrigerators	14	102,620	5	41,967	9	60,653				
Tugs	29		29							
Cargo (unfinished)	1	9,400	1	9,400						
Total steel	1,397	9,790,235	1,128	7,841,784	221	1,524,010	18	144,735	30	279,706
CONCRETE VESSELS.										
Steam:										
Cargo	2	6,078	2	6,078						
Tankers	7	48,783	7	48,783						
Total concrete	9	54,861	9	54,861						
WOOD AND COMPOSITE.										
Steam:										
Cargo	6	24,386	6	24,386						
Tugs	12		12							
Total wood and composite	18	24,386	18	24,386						
Total vessels ¹	1,424	9,869,482	1,155	7,921,031	221	1,524,010	18	144,735	30	279,706

¹ Includes 2 molasses tankers, dead-weight tonnage, 15,065.

² Does not include 7 Army transports, dead-weight tonnage, 49,235; title transferred to Shipping Board but no delivery made.

I. World tonnage. (100 tons and over.)

Flag.	June 30, 1914.					
	Steam and gas.		Sail.		Total.	
	Num-ber.	Gross.	Num-ber.	Gross.	Num-ber.	Gross.
American ¹	1,692	4,287,349	1,408	1,035,699	3,100	5,323,048
British ²	10,123	20,523,706	1,205	521,343	11,328	21,045,049
Dutch	709	1,471,710	97	24,745	806	1,496,455
French	1,025	1,922,286	551	397,152	1,576	2,319,438
German	2,090	5,134,720	298	324,576	2,388	5,459,296
Japanese	1,103	1,708,386			1,103	1,708,386
Norwegian	1,656	1,957,353	535	547,369	2,191	2,504,722
Other countries, making gross total	24,444	45,403,877	6,392	3,685,675	30,836	49,089,552

¹ Including vessels on Great Lakes.

² United Kingdom, Australia, New Zealand, India, Canada, and other dominions, including vessels on Great Lakes.

All figures are taken from Lloyd's Register.

II. World tonnage. (100 tons and over.)

Flag.	June 30, 1922.					
	Steam and gas.		Sail.		Total.	
	Num-ber.	Gross.	Num-ber.	Gross.	Num-ber.	Gross.
American ¹	4,234	15,732,544	1,147	1,253,652	5,381	16,986,196
British ²	10,263	21,615,009	1,058	427,611	11,321	22,042,620
Dutch	1,100	2,617,485	64	15,228	1,164	2,632,713
French	1,728	3,537,382	371	308,410	2,099	3,845,792
German	1,533	1,785,767	190	101,641	1,723	1,887,408
Japanese	2,026	3,586,918			2,026	3,586,918
Norwegian	1,716	2,417,680	136	183,181	1,852	2,600,861
Other countries, making gross total	20,255	61,342,952	4,680	3,027,834	33,935	64,370,786

¹ Including vessels on Great Lakes.

² United Kingdom, Australia, New Zealand, India, Canada, and other dominions, including vessels on Great Lakes.

All figures are taken from Lloyd's Register.

III.
World tankers.¹
(500 gross tons and over.)

Flag.	June 30, 1920.					
	Steam and gas.		Sail and barge.		Total.	
	Num- ber.	Gross.	Num- ber.	Gross.	Num- ber.	Gross.
American.....	243	1,362,964	73	105,369	316	1,468,333
British.....	243	1,224,791	5	16,345	248	1,241,136
Dutch.....	33	93,893	5	4,728	38	98,621
French.....	6	21,311	1	3,203	7	24,514
Japanese.....	2	2,552			2	2,552
Norwegian.....	21	107,484			21	107,484
Other countries, mak- ing gross total.....	582	2,929,521	91	138,609	673	3,068,130

¹ Exclusive of Navy, Admiralty, and other Government tankers.
All figures except for American tankers are prepared from Lloyd's Register.

IV.
World tankers.¹
(500 gross tons and over.)

Flag.	June 30, 1922.					
	Steam and gas.		Sail and barge.		Total.	
	Num- ber.	Gross.	Num- ber.	Gross.	Num- ber.	Gross.
American.....	385	2,344,738	79	115,824	464	2,460,562
British.....	318	1,716,648	5	16,345	323	1,732,993
Dutch.....	39	121,179	3	2,171	42	123,350
French.....	17	88,951			17	88,951
Japanese.....	5	24,668			5	24,668
Norwegian.....	52	173,564			52	173,564
Other countries, mak- ing gross total.....	852	4,662,618	98	143,786	950	4,806,404

¹ Exclusive of Navy, Admiralty, and other Government tankers.
All figures except for American tankers are prepared from Lloyd's Register.

V.
World oil burners.¹
(500 gross tons and over.)

Flag.	June 30, 1920.					
	Steam engine.		Oil engine.		Total.	
	Num- ber.	Gross.	Num- ber.	Gross.	Num- ber.	Gross.
American.....	1,251	5,923,767	75	135,806	1,326	6,059,573
British.....	282	1,664,631	53	157,813	335	1,822,444
Dutch.....	74	221,253	18	29,202	92	250,455
French.....	14	60,738	7	13,098	21	73,836
Japanese.....	4	33,930	3	3,146	7	37,076
Norwegian.....	46	231,102	51	107,685	97	338,787
Other countries, making gross total.....	1,731	8,345,913	290	603,334	2,021	8,949,247

¹ Exclusive of Army, Navy, Admiralty, and other Government oil burners.
Including oil burners on Great Lakes.
All figures, except for American vessels, are prepared from Lloyd's Register.

Comparison of ownership of documented vessels on specified dates.

	Private ownership. (500 tons and over.)						United States Shipping Board. (1,000 tons and over.)						Grand total.	
	Steel.		Wood.		Total.		Steel.		Wood.		Total.			
	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.
July 1, 1917.....	814	2,807,266	738	756,894	1,552	3,564,160	19	76,160	-----	-----	19	76,160	1,571	3,640,320
July 1, 1918.....	829	2,955,516	820	867,809	1,649	3,813,325	231	929,140	4	9,918	235	939,058	1,884	4,752,383
July 1, 1919.....	815	2,905,224	861	932,427	1,676	3,827,651	790	3,312,713	192	514,490	982	3,827,203	2,658	7,754,854
July 1, 1920.....	888	3,364,108	886	1,011,505	1,774	4,375,613	1,347	6,146,612	283	756,516	1,630	6,903,128	3,404	11,278,741
July 1, 1921.....	1,032	4,195,206	893	1,045,424	1,925	5,240,630	1,519	7,247,284	279	746,487	1,798	7,993,771	3,723	13,234,401
February 1, 1922.....	1,077	4,528,206	872	1,025,790	1,949	5,553,996	1,485	7,080,610	269	718,629	1,754	7,799,239	3,703	13,353,234
March 1, 1922.....	1,054	4,516,210	862	1,018,004	1,916	5,534,214	1,487	7,103,426	265	707,484	1,752	7,816,910	3,668	13,341,125
April 1, 1922.....	1,053	4,515,510	867	1,025,494	1,920	5,541,004	1,485	7,099,414	264	704,549	1,749	7,803,963	3,669	13,394,967
May 1, 1922.....	1,058	4,549,926	866	1,031,010	1,924	5,580,936	1,481	7,080,921	260	691,457	1,741	7,772,378	3,665	13,353,314
June 1, 1922.....	1,062	4,583,770	865	1,030,714	1,927	5,614,484	1,479	7,087,116	255	677,991	1,734	7,765,107	3,661	13,379,599
July 1, 1922.....	1,075	4,640,345	858	1,023,978	1,933	5,664,323	1,465	7,034,296	246	652,677	1,711	7,686,973	3,644	13,351,216
August 1, 1922.....	1,090	4,708,905	858	1,027,889	1,948	5,736,794	1,456	6,981,872	244	647,909	1,699	7,629,781	3,642	13,366,575
September 1, 1922.....	1,094	4,719,855	854	1,027,374	1,948	5,747,229	1,436	6,921,998	243	645,061	1,679	7,567,059	3,627	13,314,288
October 1, 1922.....	1,102	4,735,311	850	1,028,094	1,952	5,763,405	1,423	6,875,601	240	636,865	1,663	7,512,466	3,615	13,275,871
November 1, 1922.....	1,110	4,769,082	850	1,028,843	1,960	5,797,925	1,413	6,833,092	237	629,262	1,650	7,462,354	3,610	13,280,279

VI.
World oil burners.¹
(500 gross tons and over.)

Flag.	June 30, 1922.					
	Steam engine.		Oil engine.		Total.	
	Num- ber.	Gross.	Num- ber.	Gross.	Num- ber.	Gross.
American.....	1,720	8,710,935	70	146,152	1,790	8,857,087
British.....	530	3,143,816	71	316,612	601	3,460,428
Dutch.....	128	533,349	25	50,229	153	583,578
French.....	47	226,599	10	19,162	57	245,761
Japanese.....	29	202,381	4	5,171	33	207,552
Norwegian.....	104	511,096	71	157,723	175	668,819
Other countries, making gross total.....	2,694	13,838,178	416	1,166,370	3,110	15,004,548

¹ Exclusive of Army, Navy, Admiralty, and other Government oil burners.
² Including oil burners on Great Lakes.

All figures, except for American vessels, are prepared from Lloyd's Register.

VII.

Comparison of ownership of documented vessels on specified dates.

PRIVATE OWNERSHIP.

(500 tons and over.)

Months.	Steel.		Wood.		Total.	
	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.
July 1, 1917.....	814	2,807,266	738	756,894	1,552	3,564,160
Nov. 1, 1922.....	1,110	4,769,082	850	1,028,843	1,960	5,797,925

UNITED STATES SHIPPING BOARD.

(1,000 tons and over.)

Months.	Steel.		Wood.		Total.	
	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.	Num- ber.	Gross tonnage.
July 1, 1917.....	19	76,160			19	76,160
Nov. 1, 1922.....	1,413	6,833,092	237	629,262	1,650	7,462,354
Grand total.						
					Num- ber.	Gross tonnage.
July 1, 1917.....					1,571	3,640,320
Nov. 1, 1922.....					3,610	13,280,279

United States Shipping Board documented vessels, by material and rig.

On—	Steel.						Wood.						Grand total.	
	Steam.		Sail.		Total.		Steam.		Sail.		Total.			
	No.	Gross.	No.	Gross.	No.	Gross.	No.	Gross.	No.	Gross.	No.	Gross.	No.	Gross.
July 1, 1917.....	15	66,237	4	9,923	19	76,160							19	76,160
July 1, 1918.....	225	914,812	6	14,328	231	929,140	3	8,451	1	1,467	4	9,918	235	939,058
December 1, 1918.....	444	1,776,233	6	14,328	450	1,790,561	90	245,556	1	1,467	91	247,023	541	2,037,584
July 1, 1919.....	784	3,298,385	6	14,328	790	3,312,713	188	509,073	4	5,417	192	514,490	982	3,827,203
July 1, 1920.....	1,341	6,132,284	6	14,328	1,347	6,146,612	289	751,071	3	5,445	293	756,516	1,630	6,903,128
July 1, 1921.....	1,513	7,232,956	6	14,328	1,519	7,247,284	274	735,413	5	11,074	279	746,487	1,798	7,993,771
February 1, 1922.....	1,481	7,071,260	4	9,350	1,485	7,080,610	265	709,761	4	8,868	269	718,629	1,754	7,993,771
March 1, 1922.....	1,484	7,102,736	3	6,690	1,487	7,109,426	262	700,812	3	6,672	265	707,484	1,752	7,993,771
April 1, 1922.....	1,482	7,092,724	3	6,690	1,485	7,099,414	261	697,877	3	6,672	264	704,549	1,749	7,993,771
May 1, 1922.....	1,478	7,074,231	3	6,690	1,481	7,080,921	257	684,785	3	6,672	260	691,457	1,741	7,772,378
June 1, 1922.....	1,476	7,080,426	3	6,690	1,479	7,087,116	252	671,319	3	6,672	255	677,991	1,734	7,765,107
July 1, 1922.....	1,464	7,031,514	1	2,782	1,465	7,034,296	243	646,005	3	6,672	246	652,677	1,711	7,686,973
August 1, 1922.....	1,449	6,979,090	1	2,782	1,450	6,981,872	242	643,454	2	4,455	244	647,909	1,694	7,629,781
September 1, 1922.....	1,435	6,919,216	1	2,782	1,436	6,921,998	241	640,606	2	4,455	243	645,061	1,679	7,567,059
October 1, 1922.....	1,422	6,872,819	1	2,782	1,423	6,875,601	238	632,410	2	4,455	240	636,865	1,663	7,512,466
November 1, 1922.....	1,412	6,830,310	1	2,782	1,413	6,833,092	235	624,807	2	4,455	237	629,262	1,650	7,462,354

Total United States Shipping Board tonnage documented.

(1,000 tons and over.)

	Steam.				Sail.				Total.	
	Steel.		Wood.		Steel.		Wood.			
	No.	Gross.	No.	Gross.	No.	Gross.	No.	Gross.	No.	Gross.
Shipping Board vessels lost.....	56	218,917	31	88,194			2	3,186	89	310,297
Shipping Board vessels sold to aliens.....	40	130,947	13	38,582					53	169,529
Shipping Board vessels sold to citizens.....	192	850,432	15	43,176	5	11,546	38	57,179	250	962,333
Shipping Board vessels transferred to United States.....	38	251,706							38	251,706
Shipping Board vessels abandoned (scrapped).....	1	2,391	15	39,131					16	41,572
Shipping Board tonnage reduced by readmeasurement or rebuilding.....		189,868		1,144						182,012
Total documented tonnage removed from Shipping Board list.....	327	1,635,261	74	210,277	5	11,546	40	60,365	446	1,917,449
Documented tonnage in list November 1, 1922.....	1,412	6,830,310	235	624,807	1	2,782	2	4,455	1,650	7,462,354
Total Shipping Board tonnage documented prior to November 1, 1922.....	1,739	8,465,571	309	835,084	6	14,328	42	64,820	2,096	9,379,803

¹ These figures do not represent the whole tonnage owned by the United States Shipping Board prior to November 1, 1922, because a few vessels were sold, lost, transferred to the Navy, etc., before documents issued to them, and therefore they are not included in this statement.

FINANCIAL AFFAIRS OF EUROPEAN STATES (S. DOC. 274).

Mr. LODGE. There was sent in by the President in response to Senate Resolution 208, of January 16, 1922, information regarding the revenues, expenditures, and deficits of the European States. It was referred to the Committee on Foreign Relations. It is a very valuable and important collection of statistics relating to the revenues, expenditures, and deficits of European States. I report it back and move that it be printed as a Senate document.

The motion was agreed to.

APPROPRIATIONS FOR DEPARTMENTS OF COMMERCE AND LABOR.

Mr. JONES of Washington. I am directed by the Committee on Appropriations, to which was referred the bill (H. R. 13316) making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes, to report it with amendments, and I submit a report (No. 947) thereon.

The VICE PRESIDENT. The bill will be placed on the Calendar.

MEMORIAL BRIDGE ACROSS DELAWARE RIVER.

Mr. JONES of Washington. There was passed to-day Senate Joint Resolution 249, which I think was passed under the apprehension that it was an ordinary bridge bill. It is in fact a bill appropriating \$400,000 for the Government of the United States to act in conjunction with New Jersey and Pennsylvania in the building of a memorial bridge. The introducer of the joint resolution has agreed that the vote be reconsidered and that the joint resolution be referred to the Committee on Appropriations. So I ask that the votes by which the joint resolution was ordered to a third reading and passed may be reconsidered and that the joint resolution be referred back to the Committee on Commerce, and then that the Committee on Commerce be discharged from its further consideration and that it be referred to the Committee on Appropriations.

The VICE PRESIDENT. Without objection, the votes will be reconsidered and the joint resolution referred to the Com-

mittee on Commerce. Without objection, that committee will be discharged from the further consideration of the joint resolution and it will be referred to the Committee on Appropriations.

RURAL CREDITS.

Mr. SIMMONS. I introduced April 20—calendar day, May 9—1922, the bill (S. 3578) to provide credit facilities for the preservation and development of the agricultural industry, including live stock, in the United States; to extend and stabilize the market for United States bonds and other securities; to create an agency for the liquidation of commercial assets owned by the United States, for acting when required as depository of funds belonging to the United States, and otherwise performing services as fiscal agent of the United States, and for other purposes.

This bill was referred to the Finance Committee. The Finance Committee has never taken any action upon it. The Committee on Banking and Currency is now having hearings with reference to the various credit bills which have been introduced. I ask unanimous consent that the Finance Committee be discharged from the further consideration of Senate bill 3578 and that it be referred to the Committee on Banking and Currency.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CREDENTIALS OF SENATOR REED OF PENNSYLVANIA.

The VICE PRESIDENT laid before the Senate a certificate of the Governor of Pennsylvania, which was ordered to be printed in the RECORD and filed, as follows:

IN THE NAME AND BY AUTHORITY OF THE
COMMONWEALTH OF PENNSYLVANIA,
Executive Department.

To the President of the Senate of the United States:

This is to certify that on the 7th day of November 1922, DAVID A. REED was duly chosen by the qualified electors of the State of Pennsylvania a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1923.

Witness his excellency our governor and our seal hereto affixed at the city of Harrisburg this 18th day of November, in the year of our Lord 1922.

[SEAL.]

By the Governor:

WM. C. SPROUL, Governor.

BERNARD J. MYERS,
Secretary of the Commonwealth.

CREDENTIALS OF SENATOR-ELECT LYNN J. FRAZIER.

The VICE PRESIDENT laid before the Senate a certificate of the Governor of North Dakota, which was ordered to be printed in the RECORD and filed, as follows:

STATE OF NORTH DAKOTA—CERTIFICATE OF ELECTION.

At an election held on the 7th day of November, 1922, LYNN J. FRAZIER was duly elected to the office of United States Senator to represent the State of North Dakota for the term of six years commencing the 4th day of March, 1923.

Given at Bismarck this 7th day of December, 1922.

R. A. NESTOS, Governor.
THOMAS HALL, Secretary of State.

Attest:

JOHN STEEN,
Member of the Board of Canvassers.

BREEDING OF RIDING HORSES FOR THE ARMY.

The VICE PRESIDENT laid before the Senate a report of the Secretary of War, transmitted pursuant to law, relative to expenditures under the appropriation for the encouragement of breeding suitable riding horses for the Army, etc., which was referred to the Committee on Appropriations.

ORDER FOR RECESS.

Mr. JONES of Washington. Mr. President, there is an appropriation bill on the calendar which we would like to take up to-morrow, and I would like to get a little more time to be given to the shipping bill. So I ask unanimous consent that when the Senate adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning instead of 12 o'clock. We will have the morning hour, and hope to pass the appropriation bill in that time, and to reach the consideration of the shipping bill by 1 o'clock at least.

Mr. FLETCHER. I am not disposed to raise any question about that suggestion. I do feel, however, that the Senator must concede that we have not interfered with the progress of the shipping bill in any way.

Mr. JONES of Washington. That is true.

Mr. FLETCHER. I know there are a number of committees meeting now considering very important measures, and they meet about 10 o'clock, though they usually do not get started until half past 10. If we meet at 11 o'clock to-morrow we might as well abandon the committee meetings.

Mr. JONES of Washington. I thought probably there might not be many Members especially concerned in the Department of Commerce appropriation bill and that we could take that up in the morning hour.

Mr. FLETCHER. I do not believe the Senator will save any time by meeting at 11 o'clock. I think if we began at 12 we would get along just as well.

Mr. SIMMONS. I want to say to the Senator that there are hearings now going on before the Committee on Banking and Currency which are very interesting, and quite a number of Senators who I know are interested in that class of legislation, and who are not members of the committee, are attending the hearings.

Mr. JONES of Washington. Would there be any objection to recessing until 12 o'clock and possibly laying the shipping bill aside in the hope of passing the Departments of Commerce and Labor appropriation bill? Then there might be other matters that could be taken up. I feel that we should give more time to the shipping bill under the circumstances. There is other legislation that will be coming in, and I would like to get as far along with the bill as possible. I do not want to press the bill unduly, however.

Mr. FLETCHER. May I ask the Senator what appropriation bill he expects to come up to-morrow?

Mr. JONES of Washington. The bill making appropriations for the Departments of Commerce and Labor.

Mr. FLETCHER. Are there many controverted questions in the bill?

Mr. JONES of Washington. I do not think there are any controverted questions in it.

Mr. FLETCHER. I do not know of any. I presume it will pass as quickly as the appropriation bill which we had under consideration to-day.

Mr. JONES of Washington. I think probably more quickly.

Mr. FLETCHER. I shall not make any objection to taking a recess until 12 o'clock.

Mr. JONES of Washington. I ask unanimous consent that when the Senate closes its session to-day it shall take a recess until to-morrow at 12 o'clock.

The VICE PRESIDENT. Is there objection? The Chair hears no objection, and it is so ordered.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened and (at 5 o'clock and 13 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Friday, December 15, 1922, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 14, 1922.

POSTMASTERS.

ALABAMA.

Lee M. Otts, Greensboro.
Walter T. Cowan, Orrville.

ARIZONA.

Winchester Dickerson, Ashfork.

GEORGIA.

William L. Black, Allenhurst.
Ailey M. Cherry, Donalsonville.
Dana M. Lovvorn, Richland.
Frank H. Moxley, Wadley.

KENTUCKY.

Charles A. Bickford, Hellier.
Robert B. Waddle, Somerset.

MAINE.

John C. Arnold, Augusta.
Cleo A. Russell, Bethel.
Thomas R. McPhail, Thomaston.

MARYLAND.

Mary B. Workman, Fort Howard.
Elwood C. Orrell, Greensboro.
Elwood L. Murray, Hampstead.
Anna B. Bowie, Kensington.
Leslie W. Gaver, Middletown.
Milton D. Reid, New Windsor.
David S. Hickman, Snow Hill.
William Melville, Sykesville.
Harry L. Feeser, Taneytown.
Elias N. McAllister, Vienna.
Ernest W. Pickett, Woodbine.

MASSACHUSETTS.

Lora T. Smith, Feeding Hills.
Alice D. Robbins, Littleton.
Xavier A. Delisle, Lowell.

NEW JERSEY.

Alfred O. Kossow, Cedargrove.
Caroline A. Cowan, Haworth.
Ralph D. Childs, Rochelle Park.
Luther S. Van Fleet, Three Bridges.

OKLAHOMA.

James L. Lane, Kiowa.

SOUTH CAROLINA.

James M. Graham, Alcolu.
Robert L. Henderson, North Charleston.

HOUSE OF REPRESENTATIVES.

THURSDAY, December 14, 1922.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Father in heaven, about Thy name cluster all the sacred hopes of the human breast. In the unfolding mystery of Thy power and compassion are hidden the aspirations and joys of future years. Each day-dawn marks the extended hand of Thy mercy. As Thou dost thus minister unto us, may we minister unto others. O bless us for the good that we may be able to do. Help us to do with all faithfulness the duties that are set for us. Fill us with all good purposes and send us forth in the service of our beloved country. Amen.

The Journal of the proceedings of yesterday was read and approved.

HOOR OF MEETING TO-MORROW.

Mr. MONDELL. Mr. Speaker, on to-morrow I understand the gentleman from Massachusetts [Mr. DALLINGER] intends to call up the contested-election case of Paul against Harrison, seventh district of Virginia. A considerable amount of debate is desired on that case, and I wondered if gentlemen on the other side would have any objection to beginning the session an hour earlier than usual in view of the fact that about five hours of debate is desired.

Mr. GARRETT of Tennessee. Mr. Speaker, if that inquiry is addressed to me, I will say to the gentleman that I know of no reason why we should meet at 11 o'clock to take up that matter. If the gentleman wishes to consider the appropriation bills and meet at 10 o'clock or 11 o'clock, I have no objection.

Mr. MONDELL. We desire to give as much opportunity for discussion as possible, and yet we desire and expect to close the case during the day. Gentlemen of course prefer to conclude the day's business at a reasonably early hour.

Mr. GARNER. Will the gentleman permit a suggestion? To relieve the mind of the man who is to be murdered, he is asked to arrange to get a pistol. The gentleman wants this side of the House to arrange to cut off one of its Members' heads. [Laughter.]

Mr. MONDELL. On the contrary, I simply desire to have an opportunity to present the arguments in the case and give gentlemen on the other side an opportunity to present their arguments. If they can prove that the Member was elected, of course, he will retain his seat. If we prove that our man was elected, we shall seat him. I know of no reason why we should not begin early in order to get through at a reasonable time. It will accommodate gentlemen on that side as well as gentlemen on this side.

The SPEAKER. Does the gentleman submit any request?

Mr. MONDELL. I do not want to embarrass anyone, but I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 a. m. to-morrow. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, I understand that the House is not going on with the important business before the committee—that is, the appropriation bill—but is going to take up another matter that could have been settled long ago if the majority wished to. I object.

THE NAVAL APPROPRIATION BILL.

Mr. KELLEY of Michigan. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13374, the naval appropriation bill, and pending that motion I wish to ask unanimous consent that there be three hours of general debate, one hour and a half to be controlled by the gentleman from South Carolina [Mr. BYRNES] and one hour and a half by myself.

The SPEAKER. The gentleman from Michigan asks unanimous consent that there be three hours of general debate, one-half to be controlled by the gentleman from South Carolina [Mr. BYRNES] and one-half by himself. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Michigan that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the naval appropriation bill.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were 46 ayes and 2 noes.

Mr. DENISON. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point that no quorum is present. Evidently there is no quorum present; the Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 277, nays 2, not voting 151, as follows:

YEAS—277.

Abernethy	Bell	Briggs	Byrns, Tenn.
Ackerman	Benham	Brooks, Ill.	Cable
Andrew, Mass.	Bird	Brooks, Pa.	Campbell, Pa.
Andrews, Nebr.	Bixler	Brown, Tenn.	Cannon
Anthony	Black	Browne, Wis.	Cantrill
Appleby	Bland, Va.	Buchanan	Carter
Aswell	Blanton	Bulwinkle	Chalmers
Atkeson	Boies	Burdick	Chindblom
Bacharach	Bowers	Burroughs	Christopherson
Bankhead	Bowling	Burtess	Clague
Barbour	Box	Butler	Clarke, N. Y.
Beck	Brennan	Byrnes, S. C.	Clouse

Cockran	Hawley	McPherson	Shreve
Cole, Iowa	Hayden	MacGregor	Siegel
Collier	Hays	MacLafferty	Sinclair
Collins	Henry	Madden	Sinnott
Colton	Hersey	Magee	Sisson
Cooper, Ohio	Hickey	Maloney	Smith, Idaho
Cooper, Wis.	Hicks	Mansfield	Smithwick
Copley	Hill	Mapes	Snyder
Coughlin	Hoch	Merritt	Speaks
Crago	Hooker	Michener	Sproul
Cramton	Huck	Miller	Stafford
Crisp	Hudspeth	Mills	Steagall
Curry	Hukriede	Mondell	Stedman
Dale	Hull	Montoya	Stephens
Dallinger	Ireland	Moore, Ill.	Stevenson
Darrow	Jacoway	Moore, Ohio	Strong, Kans.
Davis, Tenn.	James	Moore, Va.	Strong, Pa.
Deal	Jeffers, Nebr.	Moore, Ind.	Summers, Wash.
Dempsey	Jeffers, Ala.	Morgan	Summers, Tex.
Denison	Johnson, Ky.	Morin	Swank
Dickinson	Johnson, Miss.	Mudd	Sweet
Doughton	Johnson, Wash.	Murphy	Swing
Dowell	Jones, Pa.	Nelson, Me.	Taylor, Colo.
Drewry	Kearns	Nelson, A. P.	Taylor, N. J.
Elliott	Kelley, Mich.	Nelson, J. M.	Temple
Evans	Kelly, Pa.	Newton, Minn.	Thompson
Fairfield	Kendall	Newton, Mo.	Tilson
Favrot	Ketcham	Norton	Timberlake
Fenn	Kiess	O'Brien	Tincher
Fess	Kincheloe	Oldfield	Towner
Fields	King	Oliver	Turner
Fish	Kissel	Palge	Tyson
Fisher	Kline, N. Y.	Parker, N. J.	Underhill
Fordney	Kline, Pa.	Parks, Ark.	Upshaw
Foster	Knutson	Patterson, Mo.	Vaile
Free	Kopp	Patterson, N. J.	Vestal
French	Kraus	Porter	Vinson
Fuller	Kreider	Pou	Volgt
Fulmer	Lampert	Quin	Volstead
Gahn	Lanham	Radcliffe	Walters
Garner	Lankford	Raker	Ward, N. Y.
Garrett, Tenn.	Larsen, Ga.	Ramseyer	Ward, N. C.
Garrett, Tex.	Larson, Minn.	Rankin	Wason
Gensman	Lawrence	Rayburn	Watson
Gerner	Lea, Calif.	Reece	Weaver
Gifford	Leatherwood	Reed, N. Y.	Webster
Gilbert	Lehlbach	Rhodes	White, Kans.
Glynn	Lineberger	Ricketts	Williams, Ill.
Goldsborough	Logan	Robison	Williamson
Goodykoontz	Longworth	Rogers	Wingo
Graham, Ill.	Lowrey	Rose	Woodruff
Greene, Mass.	Lyon	Rouse	Wright
Greene, Vt.	McArthur	Sanders, Ind.	Wyant
Griest	McClintic	Sanders, N. Y.	Yates
Hardy, Colo.	McCormick	Sanders, Tex.	Young
Hardy, Tex.	McDuffie	Sandlin	
Haugen	McKenzie	Scott, Mich.	
	McLaughlin, Mich.	Scott, Tenn.	

NAYS—2.

Huddleston London
NOT VOTING—151.

Almon	Faust	Lee, N. Y.	Rucker
Anderson	Fitzgerald	Linthicum	Ryan
Ansoorge	Focht	Little	Sabath
Arentz	Frear	Luce	Schall
Barkley	Freeman	Lubring	Sears
Beedy	Frothingham	McFadden	Shaw
Begg	Funk	McLaughlin, Nebr.	Shelton
Blakeney	Gallivan	McLaughlin, Pa.	Slemp
Bland, Ind.	Gorman	McSwain	Smith, Mich.
Bond	Gould	Martin	Snell
Brand	Graham, Pa.	Mead	Steenerson
Britten	Green, Iowa	Michaelson	Stiness
Burke	Griffin	Montague	Stoll
Burton	Hammer	Mott	Sullivan
Campbell, Kans.	Harrison	O'Connor	Tague
Carew	Hawes	Ogden	Taylor, Ark.
Chandler, N. Y.	Herrick	Olpp	Taylor, Tenn.
Chandler, Okla.	Himes	Osborne	Ten Eyck
Clark, Fla.	Hogan	Overstreet	Thomas
Classon	Humphrey, Nebr.	Park, Ga.	Thorpe
Codd	Humphreys, Miss.	Parker, N. Y.	Tillman
Cole, Ohio	Husted	Perkins	Tinkham
Connally, Tex.	Hutchinson	Perlman	Treadway
Connolly, Pa.	Johnson, S. Dak.	Petersen	Tucker
Crowther	Jones, Tex.	Pringle	Vare
Cullen	Kahn	Purnell	Volk
Davis, Minn.	Keller	Rainey, Ala.	Wheeler
Dominick	Kennedy	Rainey, Ill.	White, Me.
Drane	Kindred	Ransley	Williams, Tex.
Driver	Kirkpatrick	Reber	Wilson
Dunbar	Kitchin	Reed, W. Va.	Winslow
Dunn	Klecza	Riddick	Wise
Dupré	Knight	Rlordan	Wood, Ind.
Dyer	Kunz	Roach	Woods, Va.
Echols	Langley	Robertson	Woodyard
Edmonds	Layton	Rodenberg	Wurzbach
Ellis	Lazaro	Rosenbloom	Zihlman
Fairchild	Lee, Ga.	Rossdale	

So the motion was agreed to.

The Clerk announced the following pairs:
Until further notice:

Mr. Treadway with Mr. Mead.

Mr. Britten with Mr. Wilson.

Mr. Davis of Minnesota with Mr. Carew.

Mr. Roach with Mr. Martin.

Mr. Purnell with Mr. Park of Georgia.

Mr. Kahn with Mr. Dominick.

Mr. Faust with Mr. Overstreet.
 Mr. Begg with Mr. Driver.
 Mr. Vare with Mr. Rainey of Alabama.
 Mr. Wurzbach with Mr. Griffin.
 Mr. Hutchinson with Mr. Rucker.
 Mr. Anderson with Mr. Wise.
 Mr. Reed of West Virginia with Mr. Hawes.
 Mr. Graham of Pennsylvania with Mr. Stoll.
 Mr. Michaelson with Mr. Riordan.
 Mr. Snell with Mr. Kunz.
 Mr. White of Maine with Mr. Taylor of Arkansas.
 Mr. Stiness with Mr. McSwain.
 Mr. Olpp with Mr. Kindred.
 Mr. Hogan with Mr. Ten Eyck.
 Mr. Wood of Indiana with Mr. Kitchin.
 Mr. McFadden with Mr. Jones of Texas.
 Mr. Winslow with Mr. Thomas.
 Mr. Campbell of Kansas with Mr. Tague.
 Mr. Burton with Mr. Sabath.
 Mr. Dunbar with Mr. Brand.
 Mr. Langley with Mr. Clark of Florida.
 Mr. Beedy with Mr. Woods of Virginia.
 Mr. Johnson of South Dakota with Mr. Connally of Texas.
 Mr. Perkins with Mr. Montague.
 Mr. Keller with Mr. Dupré.
 Mr. Frothingham with Mr. Rainey of Illinois.
 Mr. Shelton with Mr. Gallivan.
 Mr. Cole of Ohio with Mr. Hammer.
 Mr. Bland of Indiana with Mr. Almon.
 Mr. Edmonds with Mr. Lee of Georgia.
 Mr. Dyer with Mr. Tucker.
 Mr. Ransley with Mr. Cullen.
 Mr. Gorman with Mr. O'Connor.
 Mr. Crowther with Mr. Humphreys of Mississippi.
 Miss Robertson with Mr. Sullivan.
 Mr. Shaw with Mr. Lazaro.
 Mr. Connolly of Pennsylvania with Mr. Tillman.
 Mr. Ellis with Mr. Barkley.
 Mr. Chandler of Oklahoma with Mr. Linthicum.
 Mr. Osborne with Mr. Williams of Texas.
 Mr. Rosenbloom with Mr. Harrison.
 Mr. Smith of Michigan with Mr. Sears.
 Mr. Focht with Mr. Drane.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the naval appropriation bill, with Mr. LONGWORTH in the chair.

The Clerk reported the title of the bill.

Mr. KELLEY of Michigan. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KELLEY of Michigan. Mr. Chairman, I should like to proceed for a short time with a general statement relative to the bill, and later on I shall be very glad to yield to interruptions for information.

There are three factors that largely determine the amount of money to be carried in the bill. When those three factors are determined the sums carried are almost wholly a matter of mathematical calculation. The first is the number of ships to be kept in commission. The second is the number of men and officers, and the third is the amount carried for new construction.

As to the number of ships to be kept in commission during the coming year the list is almost identical with the list of ships presented to the Congress last year by the Committee on Appropriations, as required for a well-balanced 18-battleship fleet. Some 324 vessels have during the current year been kept in commission, constituting the so-called 18-battleship fleet. All other ships have been put out of commission. During the coming year the same fleet is to be kept in commission as was provided for last year. That being the case, the amount carried in the bill for repairs and for fuel and general upkeep of the ships is almost identically the same as that carried in the bill for the current year.

As to the personnel, the committee has provided in the bill for the present personnel, 86,000 men, and the officers that are in the Navy at the present time, plus those to be added from the Naval Academy in June. The committee, in deciding on the strength of the personnel, were moved by the fact that the question was thoroughly gone into only a few months ago by the Congress. Probably no question has been more completely canvassed than that was at the time the current bill was under consideration. The Committee on Appropriations

recommended an enlisted force of 67,000 men, but the House, exercising its right in the matter, after full and complete consideration and debate, fixed the number at 86,000, and the Committee on Appropriations has accepted the judgment of the House as final until the House determines otherwise.

I think perhaps it may be a matter of some interest, however, to the House to know the disposition of the 19,000 men which the Congress allowed in addition to those recommended by the Committee on Appropriations. Gentlemen will recall that the number recommended by the committee last year for the fleet was approximately 50,000 men and about 17,000 men for the shore activities. The contention was made that the number was insufficient, particularly for the fleet, and that a larger number should be supplied for the ships. On the 30th of September last the number of men carried upon the ships of the fleet, the 18-battleship fleet, about which there is no dispute, amounted to 52,538. The number suggested by the committee last April was 50,000. So that there are on the ships of the Navy at the present time out of the 19,000 extra men allowed only 2,538 men. It is only fair, however, to state in this connection that there are 3,889 men on ships that are being decommissioned, destroyers and other ships not any part of the battleship fleet; and on the 30th of September there were 1,700 men on transports being transferred from one ocean to the other. It is the intention, we are advised by the Navy Department, that those 5,589 men shall be added to the ships of the battleship fleet, and when added will make a total of approximately 58,000 men for the fleet and 28,000 men for the shore activities.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. NEWTON of Minnesota. I note that on page 4 of the report there are listed among the number in excess of that which the committee was disposed to allow, 760 prisoners, 1,841 hospital patients, and several others. It does not seem to me that it is fair to charge this excess, and figure that these prisoners and hospital patients should all be chargeable to the excess.

Mr. KELLEY of Michigan. I think the gentleman will possibly recall that we allowed nearly 10,000 men for the regular shore establishments in the report last year, and then an additional 7,000 men were allowed to cover those in hospitals, in prisons, in transit, and under training. The number in the hospitals, the number in training, the number of prisoners, and the number in transit were lumped together as amounting to about 7,000.

Mr. NEWTON of Minnesota. But of course that was an estimate on the part of the gentleman, and apparently his estimate was wrong, at least in so far as the number in the hospitals and the number in the prisons is concerned. It has no relation whatever to the excess.

Mr. KELLEY of Michigan. No; I think we included the number actually in the hospitals and actually in prison.

Mr. NEWTON of Minnesota. As I gather from the gentleman's report, he is seeking to justify the stand of the committee by charging up to this excess all of the men in the prisons, all of the men in the hospitals, all of the men in the recruiting service, and so on. It does not seem to me that that is quite fair.

Mr. KELLEY of Michigan. I have no desire to justify anything. I was simply furnishing the information as to the disposition of the additional men allowed.

Mr. NEWTON of Minnesota. I rather read from the report that it is in the nature of a justification.

Mr. KELLEY of Michigan. I think it is. I think the gentleman has stated the case very well, but that was not in the mind of the committee. As I say, there were some 10,000 men assigned to the particular stations, and then an estimate was made of the number who would be in prisons and hospitals and under training and in transit amounting to about 7,000 men.

We find, however, that this list of unavailables and unassigned men amounts to 23,754. This is a vast expense which brings no adequate returns to the Navy, and the committee believes it unnecessarily large.

Mr. NEWTON of Minnesota. That is true; but there are some of these items that are properly chargeable to shore duty, it seems to me.

Mr. KELLEY of Michigan. That is true.

Mr. NEWTON of Minnesota. And that would tend to justify the gentleman's position; but at the same time it would seem to me that items such as in transit and hospital patients have nothing whatever to do with it. There is no way of figuring in advance how many men may be taken out of the fleet to be placed on shore because of illness, or how many men may be taken out of the fleet to be put in prison.

Mr. KELLEY of Michigan. Yes; there is. The averages are pretty constant. The number of people who become sick out of a given number, whether in civil life or in the Navy, is very constant.

Mr. NEWTON of Minnesota. Does the gentleman think that the increasing of the fleet had anything to do toward increasing the number of prisoners and the number in the hospitals more than the proportionate increase that would come from the increased number?

Mr. KELLEY of Michigan. I would not think so; no.

Mr. NEWTON of Minnesota. Why charge that up to the excess?

Mr. KELLEY of Michigan. I was just locating the 19,000 excess men for the gentleman.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. KELLEY of Michigan. I will yield to my colleague.

Mr. McLAUGHLIN of Michigan. Can the gentleman tell us the number of men on the ships and the very large number on land, the number on land being practically the excess that was forced on the committee last year, and will the gentleman tell us something about what these land sailors are doing on land except to wear a uniform, draw their salaries, and consume their allowances?

Mr. KELLEY of Michigan. Well, there are a good many of these matters that hinge on the policy which is being pursued. For example, take on page 4 of the report, you will find practically 7,000 men in the training schools, or were on the 30th of September, 1922. You can readily see that that number could be greatly increased or diminished, depending upon the length of the course given to the boys in the training school. For instance, if they are given one month's training, just long enough to be sure they would not communicate the mumps or the measles to the fleet, if you had 7,000 men in the training schools and graduate them every month you would have a supply of 84,000 men in the course of the year, whereas the net shrinkage of the Navy during the coming year is only 21,000 men. If you train them two months, 7,000 men, it would mean 42,000 men supplied to the Navy, and so on. So it is quite apparent that boys are being kept about four months on shore for training in order to require 7,000 men in training to fill 21,000 vacancies. If you graduate them three times a year, 7,000 at a time, that would be 21,000 men. Of course there are two schools of thought about that in the Navy. During the war the custom was to keep the boys in the training schools on shore only long enough to see that they did not come down with these communicable diseases, and then put them in the fleet where they could serve in the lesser positions, mixed in with a large number of trained men. But in time of peace, when the necessity for men is not great, the boys are given about four months training on shore.

That policy makes it necessary to keep in training a much larger body of men with a correspondingly increased cost. If the Navy Department adopted a policy of keeping boys in the training school a shorter length of time, say two months instead of four months, this number of 7,000 could be cut in two, or making a saving of 3,500 men on that one item.

Again, former experience indicated that there is a loss on account of training, sickness, prison, and so forth, of about 7 per cent of the enlisted force. This percentage has kept growing and growing until now there is 11 per cent shrinkage or loss. Eleven per cent of all the men in the Navy are unavailable for duty all the time, instead of 7 per cent, as was the case only a year or two ago. A close study of this situation, I am certain, would result in a great economy of men. So you go down through this list and other economies of men can readily be pointed out. The committee, however, did not present this table for the purpose of raising anew the controversy of last year, but simply to show the disposition of the 19,000 men which the Congress allowed in addition to those allotted by our committee. But 2,500 of these on September 30, 1922, had found their way onto the ships.

Mr. BANKHEAD. Will the gentleman yield for a brief question?

Mr. KELLEY of Michigan. I will.

Mr. BANKHEAD. I note here in the analysis of the table of appropriations for the current year and for the next fiscal year there is an increase of a few hundred thousand dollars in the total amount. I imagine that might be largely increased by the personnel, is it not? I am asking that question for this reason: I will state to the gentleman we have been having some assurance that, on account of the operation of the reduction of our capital ships put into effect by the terms of the arms conference, it would result in a reduction of the total expenditure for our naval program, but there is not very much

encouragement in the total increase here for the fiscal years 1923-24.

Mr. KELLEY of Michigan. As I stated at the beginning, if you had 86,000 men last year and 6,615 officers, and retained 86,000 men this year and 6,615 officers, and you keep in commission 324 vessels, the same vessels kept in commission last year, nearly all the elements of cost, of course, will be repeated. You can not reduce the bill unless manufacturing costs are reduced or unless provision prices decline below last year unless you reduce the size of the Naval Establishment.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. KELLEY of Michigan. I will.

Mr. BLANTON. Does not the Navy in order to keep up the commissioned personnel have to have so many men; in other words, if the men are decreased the commissioned personnel decreases?

Mr. KELLEY of Michigan. It is not quite accurate, because the commissioned personnel is based upon the authorized strength and not upon the actual strength.

Mr. BLANTON. Now, in that connection, let me call the gentleman's attention to one practice that has continued in the department. Say the recruiting officer goes through the country and gets young men, young boys, of 15, 16, or 17 years of age to run away from home without the knowledge and consent of their parents; they enlist in the Navy, and the parents come along and send us affidavits showing that the boys were under 18 years of age and enlisted without their consent and knowledge. The department, instead of releasing those boys as the Army does, and sending them back home, intimates to the parents that their boy may be dishonorably discharged and prosecuted for making a false representation, and sometimes thus scares the parents into letting the boys serve on. Does not the gentleman think that the time has come for the Congress to indicate to the department that in cases of that kind the boys should be released and sent home?

Mr. KELLEY of Michigan. I think the gentleman is quite right about that, and I was under the impression that that was the policy of the Bureau of Navigation.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Of course there are questions of discipline that must be taken into account in individual cases.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. TOWNER. While it is true that there has been an increase in the appropriation for this year over that of last year—

Mr. KELLEY of Michigan. No; it is less this year.

Mr. TOWNER. Less this year?

Mr. KELLEY of Michigan. Yes.

Mr. TOWNER. The total, as I find here for 1923, is \$294,000,000.

Mr. KELLEY of Michigan. That is the direct appropriation. The gentleman is correct about that.

Mr. TOWNER. Now, I was going to call attention to this: Notwithstanding that fact, there is a reduction in the Budget estimate of a few thousand dollars in the appropriation recommended for this year.

Mr. KELLEY of Michigan. That comes about in this way: The Committee on Appropriations, of course, followed the Budget very carefully in the main, but where we were convinced that an error of judgment had been made, as I will point out directly, we increased the Budget recommendations.

Mr. TOWNER. I note that particularly in one instance—and I think the committee is deserving of credit—in the estimated appropriation for the completion of the 56 vessels which under the terms of the treaty we are to complete in order to make our quota what it ought to be under the agreement, the Budget estimate amounts to a total of \$41,000,000, but the showing was made, as I understand it, before the committee that more money could be expended during this next year to advantage by increasing the appropriation, and with that in view the committee did increase the appropriation, as I understand it, \$14,000,000. Is that correct? And, notwithstanding that increase in the estimate, the total which is reported in the bill is less than the Budget estimate by some thousands of dollars.

Mr. KELLEY of Michigan. Yes; that is correct.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. HICKS. I merely wanted in a way to challenge the statement made by the gentleman from Texas [Mr. BLANTON]. I propose to answer it when I have an opportunity.

Mr. KELLEY of Michigan. Let me go on. I think that is a question open to more or less controversy, and I fear I may be taking time I have promised to others.

Mr. ROGERS rose.

Mr. BLANTON. I can give many specific instances.

Mr. HICKS. And I can give many specific instances where the gentleman is in error.

Mr. BLANTON. Not as to boys from my district.

Mr. ROGERS. That is what I wanted to inquire about. But I do not want to open up the question.

Mr. SNYDER. The question is whether the gentleman from Michigan [Mr. KELLEY] agreed with the gentleman from Texas [Mr. BLANTON] in the statement that the recruiting officers did deliberately enlist boys under 16 years of age. The gentleman from Michigan did not intend to agree with it, I am sure, but the way he answered the question might indicate that in a measure he agreed with it.

Mr. KELLEY of Michigan. What I intended to say was that in cases where a young lad had been induced by prospects of travel and other attractions to misstate his age I have somewhat doubted the advisability of giving the boy under those circumstances a dishonorable discharge.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. CHINDBLOM. The gentleman from Alabama [Mr. BANKHEAD] said a moment ago that there is no substantial reduction as yet by reason of the work of the disarmament conference.

Mr. KELLEY of Michigan. I am coming to that.

Mr. CHINDBLOM. The gentleman is going to cover that?

Mr. KELLEY of Michigan. Yes.

Now, as to new construction, I think the committee will be interested in knowing the situation as to the ships that are to be completed under the terms of the treaty. On the 1st of July, 1922, it was estimated that \$131,000,000 would complete those ships—54 ships. When the officers were before the committee this time the estimates had grown to \$150,000,000 from the same date, or an increase of \$19,000,000, required to finish the ships that the treaty permits—\$150,000,000 instead of \$131,000,000—and they said that the increase had come about by reason of changes in the plans, by reason of increased cost due to the slowing down of construction, and by reason of the fact that the officers who made the first estimates had made them too low. But be that as it may, the amount remaining after the current year's appropriation is exhausted will be \$88,500,000, based on the new figures, and this bill carries \$55,000,000, which will leave to be appropriated hereafter \$33,500,000 to finish the ships we are completing under the treaty.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. COOPER of Wisconsin. Can the gentleman tell what officers they were who made the estimate of \$131,000,000?

Mr. KELLEY of Michigan. I think Admiral Taylor made the estimate in July, 1922, and he is really one of the best officers in the Navy and is one of the best ship constructors in the world. Of course it is pretty difficult. These contracts are on the old cost-plus basis, I will say to my friend from Wisconsin, and they are not an economical kind of contract. It is very difficult for the department to regulate the cost under that sort of contract.

Mr. COOPER of Wisconsin. I have always understood that Admiral Taylor, who, as everyone knows, is one of the most prominent and one of the most reliable and one of the most competent officers of the Navy, is the one who made that estimate of \$131,000,000, which has now been increased to \$150,000,000.

Mr. KELLEY of Michigan. That is correct.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. KNUTSON. When were these cost-plus contracts entered into?

Mr. KELLEY of Michigan. Well, these ships were contracted for, some of them, prior to our entry into the war, or about the time of our entry into the war. Some of them are contracts of long standing.

Mr. BUTLER. Will the gentleman from Michigan yield to me for a question? I dislike very much to take his time.

Mr. KELLEY of Michigan. I am very glad to yield to the gentleman from Pennsylvania.

Mr. BUTLER. The gentleman has reported a great deal of useful legislation to the House which will live for many years to come. I should like to ask the gentleman about this naval reserve. It seems to me it is costing the Government about \$800 per year per man. The gentleman is very familiar with

it, and it will be interesting and instructive to us to have it explained.

Mr. KELLEY of Michigan. Will my friend allow me to finish the discussion of the particular matter to which I am now referring, and then I will be glad to come to that later?

Mr. BUTLER. Certainly.

Mr. KELLEY of Michigan. I want to call the attention of the House to the fact that of this \$55,000,000 there is a direct appropriation of \$20,000,000 from the Treasury, and the remaining \$35,000,000 is a transfer of funds from what is known as the naval supply fund and the clothing and stores fund. It was possible to transfer this money from those funds because they are revolving funds, which, owing to the purchases made during the war to meet the needs of the Navy, have become abnormally large. As various bureaus since that time have drawn supplies they have paid for them out of their appropriations, so that there is an accumulation of cash at the present time in the naval supply fund amounting to \$22,000,000, and there are in the fund also stores to the amount of \$250,000,000 more. Of course, there is no need whatever for any of the cash in that fund, and there is no need of carrying such a large stock of stores. We took this method of reducing the revolving fund of the naval supply account by \$30,000,000 during the coming year, and by the same reasoning reduced the clothing fund by \$5,000,000, making \$35,000,000, which will be transferred to the building fund in order that the overhead may stop and that the ships may be completed at a much earlier date.

Mr. STAFFORD. Will the gentleman yield?

Mr. KELLEY of Michigan. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. In years gone by it was called to the attention of the House that the Navy Department had funds available on hand which could be utilized for various purposes that had been appropriated 50 or 75 years back. I wish to inquire whether the committee has attempted to check the utilization of those funds, and how many funds of the character just instanced by the gentleman are now available?

Mr. KELLEY of Michigan. We went into the matter of the available funds with a good deal of particularity. I have forgotten just the pages of the hearings on which that appears, but these two funds I am speaking of are revolving funds. There are two or three sources of supply open to the Navy where they simply draw. For instance, if appropriations were made last year or during the war for the purchase of certain supplies for a particular bureau and such supplies have been purchased and are on hand, the various bureaus can draw from such stock without using their current appropriation. Of course, it is like every other business. You could not from day to day go out and purchase what you need. You must have a stock on hand from which to draw and then you replenish the stock. Otherwise the Navy, designed for the defense of the country, might find itself in a position where it could not function if any emergency arose. But because of the war and because of the scrapping of ships, from which supplies have been put in storage, these stocks have grown enormously, and the various bureaus of the Navy Department have access to these stocks, goods which are not carried in this naval supply account at all. The bureaus simply draw what they need. Last year the Bureau of Engineering drew about \$5,000,000 worth of material on hand for which it did not have to part with any of its appropriations. In a sense, of course, it augmented its appropriations to that extent. Now, those are about all the different methods I know of in which the Navy Department can supply itself with goods without paying for them out of current appropriations.

Mr. STAFFORD. The constitutional provision with which the gentleman is acquainted limits the availability of appropriations for armament, making them available for only two years. I assume that limitation does not apply to the Navy as such. Otherwise this case that I instanced where funds dating back nearly a century were still available for use of the Navy would not have been applicable for the purpose for which they were appropriated.

Mr. KELLEY of Michigan. I will say to the gentleman that I know of no such funds. Of course, the gentleman can see that there are in store goods which may have been carried for a great many years.

Mr. STAFFORD. As far as the available supply is concerned; yes.

Mr. KELLEY of Michigan. And the longer they have been carried, of course, the less valuable they are.

Mr. STAFFORD. As far as available supply is concerned, that is one thing. I am calling attention to appropriations that have not been expended and which are still available.

Mr. KELLEY of Michigan. I am referring to current working stock, goods that have been drawn perhaps out of the naval supply account but not used, or perhaps turned back. For instance, they might turn back guns, use them on a ship for a while and then take them off and turn them back into the general stores of the Navy. The same thing might be true with ammunition of all sorts.

Mr. STAFFORD. I was not directing my query to the case of supplies that had been purchased. I was directing my attention to the availability of appropriations passed many years ago, particularly during the war period.

Mr. KELLEY of Michigan. I do not believe that the Navy has access to any cash that I have not mentioned.

Mr. BUTLER. Right there will the gentleman permit just one question?

Mr. KELLEY of Michigan. Certainly.

Mr. BUTLER. Of course, these figures are very large, amounting to about \$1,000,000,000 for the naval supply fund. Is it not a fact that a good deal of that is made up of material that is either obsolete or will be in a short time?

Mr. KELLEY of Michigan. Yes; no doubt a good deal of it is obsolete, but the large sum which the gentleman from Pennsylvania mentions includes guns and all sorts of ordnance. We carry surplus guns for all the ships, so that if anything should happen to a gun we would have in store another gun to take its place; and if you inventory all of that stock, I think in ordnance alone it amounts to something like \$400,000,000 or \$500,000,000.

Mr. BUTLER. Four hundred and forty million dollars.

Mr. KELLEY of Michigan. But really that is a part of the Navy.

Mr. KNUTSON. That should be carried as a part of the armament and not as stock.

Mr. KELLEY of Michigan. They have access to it.

Mr. BUTLER. The amount carried is what has been paid for by the Navy, on hand to be used if there is any demand for it, but in the meantime a great deal of it is bound to become obsolete.

Mr. KNUTSON. The gentleman would not want the impression to go into the Record that the Navy is carrying a billion dollars' worth of surplus stock.

Mr. BUTLER. Whatever I have said I am perfectly willing to have go into the Record.

Mr. CHINDBLOM. As a matter of fact, for much of this stock there is no general market value.

Mr. KELLEY of Michigan. I would not say that.

Mr. CHINDBLOM. We might sell it to other nations, but there is no market for it.

Mr. KELLEY of Michigan. What the gentleman says is true about the ordnance; but we have large quantities of salable merchandise on hand, and the Navy Department is selling it as fast as it can when the market is right for such goods, and the proceeds of those sales revert to the Treasury.

Mr. CHINDBLOM. If we carry the ordnance at cost price it makes an unfair representation as to market value.

Mr. KELLEY of Michigan. It would have to be understood that a great deal of the ordnance is simply reserved guns and reserved ammunition, which any sensible government would carry, so that if its ships were in an engagement and a gun was put out of action there would be another gun available to be put aboard. In addition to that there are a good many hundreds of millions of dollars' worth of stores which are valuable and can be converted into cash.

Mr. CHINDBLOM. I want to ask the gentleman whether the dismantling and destruction of the vessels on account of the four-power pact will not result in a good many surplus accessories, and would not it be possible, for the benefit of the Government, to transfer them to other departments? I have in mind particularly the customs service throughout the country, which is largely handicapped by lack of equipment, small boats, and so forth, in order to carry on the service. I know of a great many boats of that character in storage, and this service is sorely in need of those boats, as well as other departments. Yet it has been impossible to acquire them on account of the red tape existing which prevents the transfer.

Mr. KELLEY of Michigan. I doubt whether the Navy Department would have the authority to dispose of property in that way without being authorized to do so by Congress.

Mr. CHINDBLOM. Have not transfers been made?

Mr. KELLEY of Michigan. Only where there has been some provision of law authorizing them to do so. When the time comes for scrapping the old battleships I imagine that the Navy Department will have to have an enabling act from Congress brought in by the proper committee.

Mr. LINEBERGER. Will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. LINEBERGER. I want to bring the situation to the attention of the gentleman's committee that there are in various navy yards throughout the country boats of the character I have referred to which for many months have been surplus. Attempts have been made, but have proved absolutely futile, to get them for other departments, and I think it is a question that ought to be looked into.

Mr. BRITTEN. Will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. BRITTEN. Is it not a fact, and do not the hearings show, that the Navy Department has shown excellent business ability in disposing of the surplus stock?

Mr. KELLEY of Michigan. Yes; they have disposed of it to excellent advantage.

Mr. MCKENZIE. Will the gentleman from Michigan yield?

Mr. KELLEY of Michigan. I will.

Mr. MCKENZIE. As to the sale of the surplus guns, I believe we have a statute covering that, and the Navy Department can not sell those guns to foreign nations or to individuals who might use them for speculative purposes such as occurred a few years ago.

Mr. KELLEY of Michigan. I think that is true.

Mr. RANKIN. Will the gentleman yield?

Mr. KELLEY of Michigan. Certainly.

Mr. RANKIN. When this bill was before the House those who opposed the increase in personnel of the Navy were under the impression that there was at least an implied intention to use these extra men in operating something like 100 smaller craft—destroyers—which we thought would be in violation of the treaty growing out of the disarmament conference. I would like to ask the gentleman what has been done.

Mr. KELLEY of Michigan. The Navy Department has not operated the 200 extra destroyers. We have about 300; 103 are in commission, and the balance are entirely out of commission. They are oiled and greased and are kept in first-class condition, but have not been operated and will not be the coming year.

Mr. RANKIN. I want to ask the gentleman if he will state before he concludes his remarks just what has been done in reference to scrapping these vessels provided for in the treaty.

Mr. KELLEY of Michigan. Nothing at all, because the treaty has not been ratified.

Mr. WOODRUFF. Will the gentleman yield?

Mr. KELLEY of Michigan. I yield.

Mr. WOODRUFF. I remember when the last naval bill was before the House the gentleman from Michigan made a speech, which to my mind was unanswerable, setting forth the fact that the Navy needed a number of thousand men less than was provided for in the bill. I understand that since then the Navy has acquired additional men, and I would like to ask how much the personnel of the ships in commission has been increased as the result of the increase in the personnel.

Mr. KELLEY of Michigan. About 2,500 men of the 19,000, on the 30th of September, had been added to the number allowed in the bill for the personnel of last year for the fleet, or in all 52,500.

Mr. WOODRUFF. Presumably all the rest of the thousands of men are on shore duty.

Mr. KELLEY of Michigan. Yes.

Mr. BLANTON. Will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. BLANTON. If the four-power pact should be ratified, how much of the appropriation in this bill will be spent on any of the ships which we are to mutilate and destroy?

Mr. KELLEY of Michigan. I did not get that question.

Mr. BLANTON. If the four-power pact is ratified, we will destroy certain specified ships?

Mr. KELLEY of Michigan. That is right.

Mr. BLANTON. And some are yet under construction?

Mr. KELLEY of Michigan. Yes.

Mr. BLANTON. Are we proceeding with the construction of those ships?

Mr. KELLEY of Michigan. No; the construction has been suspended on all ships not to be finished under the treaty.

Mr. BLANTON. Then, we are not spending any money at present on those ships?

Mr. KELLEY of Michigan. No.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. TAYLOR of Tennessee. The gentleman referred to certain saleable stock possessed by the Navy. What stock is that?

Mr. KELLEY of Michigan. It is a vast quantity of all sorts of things. For instance, I think they have a good many million dollars' worth of copper on hand, but the copper market is not

very good at the present time and the Navy Department does not think it is the right time to sell it. I merely use that as one illustration.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. LANHAM. With reference to the appropriation for the Bureau of Aeronautics, being a lump sum of \$6,290,000. Will the gentleman give me some information as to what amount of that is intended to be used for helium?

Mr. KELLEY of Michigan. Five hundred thousand dollars.

Mr. FESS. Has the gentleman discussed whether we will realize anything out of the salvage of these vessels that are to be disposed of?

Mr. KELLEY of Michigan. I think that it will not cost the Government anything. Just how much we will get out of the old battleships and others to be destroyed I do not know.

Mr. BUTLER. Some information will be sent here in a few days which will perhaps give us some light.

Mr. KELLEY of Michigan. The treaties have not been ratified, and legislation with reference to the destruction of these ships comes from another committee. I have never inquired about the matter.

Mr. HICKS. Mr. Chairman, if the gentleman will permit, part of these stores on hand include about 1,700 Liberty motors manufactured for war purposes. We are constantly drawing on that surplus fund to equip our new airplanes, and by an expenditure of \$3,500 for new improvements we are bringing those old-type motors up to standard type and are gradually using those motors from stock without purchasing new ones.

Mr. SEARS. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. SEARS. I am interested in the statement of the gentleman from New York [Mr. HICKS]. I understand that recently in the State of Florida airplanes equipped with Liberty motors which had never been unpacked were sold for from \$400 to \$600 each. Could we not have saved some money by taking those motors and not making such a large appropriation?

Mr. HICKS. Mr. Chairman, if the gentleman from Michigan will permit, I would say this to my friend from Florida, that much of the aviation material, for instance, stored at Pensacola, is obsolete at the present time.

Mr. SEARS. But this is not stored at Pensacola.

Mr. HICKS. I mention that only because we have it stored at Pensacola, Brooklyn, Norfolk, and it does not make any difference where it is stored, it becomes obsolete just the same.

Mr. SEARS. The point I am making is that this has never been unpacked, had been there about three years, and I did not believe it would become obsolete so soon.

Mr. HICKS. It becomes obsolete not merely because it loses its efficiency because of type but because of deterioration due to time. The glue in the fabric will become almost useless in two or three years, and all of the fabric has to be ripped off and renewed. There is a bug that gets in under the fabric and destroys it.

Mr. SEARS. These planes to which I refer had evidently been operated upon by some bug, because those who bought them from the Government at the price I have mentioned made very nearly \$3,000 apiece after killing the bug.

Mr. KELLEY of Michigan. Mr. Chairman, the gentleman from Pennsylvania [Mr. BUTLER] inquired about the Naval Reserve Force. The amount carried in the bill for the Naval Reserve Force is the same as the current year. The Navy Department and the Bureau of the Budget suggested a million dollars more, and the committee was heartily in accord with the policy of promoting the Naval Reserve, and yet we could not escape the conviction that it was not organized as thoroughly as it should be, and that there must be great waste of money in connection with it. This was particularly brought to our attention when we asked the officers in charge to give us the location of the various units of the Naval Reserve.

I think gentlemen will find that on page 151 of the hearings. That shows that the Naval Reserve is scattered all over the United States. Sometimes a unit is made up of five or six officers and one or two men. In many cases there are more officers than men. It seemed as though we ought not to increase the amount for the Naval Reserve until legislation had been adopted putting it on a different status. For that reason we left the appropriation as it is at the present time. It is an enormously expensive thing to have the Naval Reserve in such small units far back from the water, consisting of four or five officers and half a dozen men.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. McKENZIE. Is it the policy in the Navy to pay the reserve officers in the Navy any salary other than that which they would receive when attending school or maneuvers?

Mr. KELLEY of Michigan. They have not been doing it, but they expect to put them into the pay class—I forget the number—on the 1st of January, so that the officers and men will get pay for the balance of this year upon the basis of one month.

Mr. McKENZIE. The gentleman understands, of course, that in the Army a reserve officer receives no compensation except when attending the reserve officers' school or while on duty.

Mr. KELLEY of Michigan. I think there was some discussion and dispute perhaps about the two services, and it all convinced me that the Naval Reserve had not been perfected to such an extent that we ought to add another million dollars to the appropriation. The gentleman from Pennsylvania [Mr. BUTLER] is interested particularly in this Naval Reserve, and is in sympathy with it, and he has had for some time, I think, an idea of connecting it up in some way with the merchant fleet, which would seem to be more effective, but in any event legislation is pending in his committee.

Mr. BUTLER. Mr. Chairman, it is my great regret that the gentleman from Michigan will not be here to assist some of us in providing for a better naval reserve.

Mr. KELLEY of Michigan. Oh, there will be plenty of good men left.

Mr. BUTLER. But none better fitted for the work than the gentleman from Michigan. [Applause.]

Mr. KELLEY of Michigan. Mr. Chairman, just a word about the last five or six lines in the bill, and then I desire to conclude. The committee put into the bill a request that the President enter into negotiations with the nations that were here in conference upon the limitation of armament, with a view of reaching an understanding or agreement relative to limiting the construction of types of ships of 10,000 tons and less. Of course, you all understand that the Conference on the Limitation of Armament did not go any further than to limit capital ship construction. That left the nations of the world free to go ahead and build without restriction or limitation ships of 10,000 tons or less.

Mr. LONDON. Will the gentleman yield?

Mr. KELLEY of Michigan. Just a moment; let me finish this item and then I will be glad to yield. We put this request in the bill, actuated by the belief that unless it is done much of the splendid effort of what has heretofore been done will be nullified or at least actuated by the fear that much of the former effort would be nullified.

Mr. LINEBERGER. Will the gentleman yield?

Mr. KELLEY of Michigan. Just a minute. The last information that we had before the Conference on the Limitation of Armament as to the cost of completing the 1916 program, if no conference had intervened, was \$353,000,000. Under the terms of the treaty we will finish ships whose cost will aggregate \$150,000,000, so that we made a saving in cost of construction of \$203,000,000 by discontinuing the program, less some \$75,000,000 which it will cost to settle with the contractors. So we made a net saving in cost of construction by the treaty of \$128,000,000.

Mr. HICKS. Has the gentleman figured the cost of the new airplane carriers taken from the old battle cruisers?

Mr. BRITTEN. What will the country gain by the saving of \$120,000,000 if through that armament conference we slide back into second place, while England is modernizing all the old ships, placing heavy guns on them, deliberately taking advantage of the situation, which is going to be costly to us?

Mr. KELLEY of Michigan. We save \$128,000,000, and we probably have saved in the annual cost of the Navy, supposing all the ships when finished would be put and kept in commission, in addition to the fleet we now have, which is hardly likely, but if it were done we will save perhaps a couple of hundred million dollars a year. On the other hand, if when the new ships are completed we put out of commission or put in part commission the older ships the saving in annual cost would be largely reduced. Now, then, there was no limitation as to the ships that could be built below the line of the battleships, and I understand from what I have read in the papers and from official information that the Navy Department recommends the construction of sixteen 10,000-ton ships at a cost of \$10,500,000 apiece, making a total of \$168,000,000. That it recommends that the battleships that we retain under the treaty be remodeled at an estimated cost of somewhere about \$90,000,000; that it recommends three mine-laying submarines at a cost of \$4,000,000 apiece be constructed, or \$12,000,000 in all for mine-laying submarines. That three scout submarines be built at a cost of \$4,000,000 apiece, making \$12,000,000 more.

That an additional airplane carrier be constructed at a cost of \$22,000,000; that six gunboats be constructed at a cost of \$8,100,000; and that additional aircraft be constructed at a cost of \$19,000,000 more, making a projected program of \$331,000,000 as against a saving of \$128,000,000, which we make by discontinuing the 1916 program.

Mr. BUTLER. Does the gentleman think that they had better meet again?

Mr. KELLEY of Michigan. So the committee was strongly impressed with the necessity of a limitation being placed upon the construction of the smaller ships by international agreement, if the fruits of the Conference on the Limitation of Armament were not to turn to ashes on our lips.

Mr. LINEBERGER. Will the gentleman yield now?

Mr. KELLEY of Michigan. I will yield.

Mr. LINEBERGER. I know that the gentleman was very successful last year in placing legislation of this kind on an appropriation bill when he attached the so-called Borah amendment to the naval bill—

Mr. KELLEY of Michigan. The gentleman is wrong about that; that was a Senate amendment.

Mr. LINEBERGER. Well, it was adopted by this House through the instrumentality of the gentleman's efforts which he put forward in that direction requesting the President of the United States to do something that he had been in the process of doing for four or five months; in other words, stealing his thunder. That is a matter of history. It was adopted and the conference was held.

I want to say the gentleman is again requesting the President of the United States to do something which we and everyone knows that he has been engaged in doing for several months past. Would it not be much better verbiage to approve that which the President of the United States is now doing rather than to request him to do something that he has been doing for several months past. I do not like the verbiage of that portion of the bill. I think that it carries with it a false implication to the country and to the House.

Mr. KELLEY of Michigan. I am not interested at all in any particular language. I only hope the gentleman agrees with me in the idea.

Mr. LINEBERGER. I do agree with the gentleman in the idea.

Mr. KELLEY of Michigan. Then all is well.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. LONDON. The disarmament treaty has not been ratified by any other nation?

Mr. KELLEY of Michigan. Oh, yes; it has been ratified by Great Britain and Japan.

Mr. LONDON. And they are carrying out the terms of the treaty?

Mr. KELLEY of Michigan. Under the terms of the treaty, it does not become effective until the exchange of ratifications. That can not take place until France and Italy join.

Mr. LONDON. In other words, the acceptance by Great Britain and Japan is conditional upon the acceptance by France and Italy?

Mr. KELLEY of Michigan. Just what the United States, Great Britain, and Japan would do in the event that France and Italy should finally refuse to ratify the treaty I can not say.

Mr. LONDON. Have Great Britain and Japan carried out the reduction of the program?

Mr. KELLEY of Michigan. They have not. I do not think any nation has undertaken to destroy any of its ships, although possibly Great Britain has scrapped some of its old ships which she had already begun to scrap before the conference.

Mr. LONDON. In other words, there have been no results thus far?

Mr. KELLEY of Michigan. No ships have actually been destroyed, but in many cases construction has been suspended.

Mr. BLANTON. In view of what the gentleman from California [Mr. LINEBERGER] says, I think the gentleman should incorporate in the provision a congratulation to the President for having stopped bootlegging in the United States.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. BUTLER. In reference to the question propounded by the gentleman from New York [Mr. LONDON], have we not accomplished by this agreement just this: We have traded the 16-inch gun off for two 8-inch guns?

Mr. BRITTEN. Yes; and we have lost the opportunity to become the first naval power on earth. We shall probably be the second or the third.

Mr. BUTLER. I do not agree to that.

Mr. KELLEY of Michigan. If the hopes entertained by the whole world are to be realized and permanent benefits are to follow the work of the peace conference, this hole will have to be stopped through which 10,000-ton ships can be constructed by any nation without any limitation. Otherwise competition in building of armament will not be suspended but merely directed into a new channel. It is to prevent this that the committee has asked the President to take the action indicated.

Mr. NEWTON of Minnesota. The gentleman from Michigan, in response to the question of the gentleman from New York [Mr. LONDON], said that so far as he knew none of the nations were carrying out the terms of the naval treaty. As I understand it—

Mr. KELLEY of Michigan. That is as to scrapping.

Mr. NEWTON of Minnesota. Yes; as to scrapping. But as to new construction and continuing construction of those ships prohibited by the treaty, that has ceased, has it not?

Mr. KELLEY of Michigan. Oh, of course no nation is constructing ships that the treaty forbids.

Mr. NEWTON of Minnesota. Then that has been accomplished?

Mr. KELLEY of Michigan. Yes. But the information that comes to the Committee on Appropriations relative to the proposed construction of other ships not forbidden by the treaty is sufficient to give an ordinary citizen the nightmare.

Mr. BUTLER. Mr. Chairman, will the gentleman permit me to make a statement of 30 seconds right there in his time?

Mr. KELLEY of Michigan. Yes.

Mr. BUTLER. The information desired by the gentleman from Minnesota [Mr. NEWTON] is likely to be furnished to this House by next Monday. Last Friday the House agreed to a resolution making inquiry of the Navy Department, or of the Secretary of the Navy, as to how much scrapping has been done by the United States and each other nation since the conference. Cablegrams have been sent abroad which will obtain the information, I hope, before the gentleman reaches the end of the bill, so that he will be able to answer the question in the House.

Mr. KELLEY of Michigan. I thank the gentleman very much.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. WATSON. Referring to the provision at the end of the bill, in order to make that provision effective would not all the nations have to be in accord with it, and would not legislative action be required on it?

Mr. COCKRAN. Mr. Chairman, I would like to have that question repeated.

Mr. WATSON. I wanted to know whether, in order to make effective the limitations in this paragraph, it would not be required that all the nations mentioned cooperate, and if they cooperated, would it not require legislative action? Such being the case, how long would the gentleman think it would take before we could act upon the suggestion contained in the paragraph?

Mr. KELLEY of Michigan. How long it would take to reach such an agreement, of course, can not be forecast by anyone.

Mr. WATSON. But before we acted we would have to have the action of the other countries?

Mr. KELLEY of Michigan. Yes. The United States will not proceed to scrap its ships or take any action reducing our naval strength until we have received assurance that the other nations are ready to do the same thing. [Applause.]

Mr. BYRNES of South Carolina. Mr. Chairman and gentlemen of the committee, the gentleman from Michigan [Mr. KELLEY] stated that if he should give to the committee all of the information that the Committee on Appropriations had received as to the status of naval construction the world over it might give some the nightmare. I do not wish to give the nightmare to any one, but in the time that I shall consume it is my purpose to give some information which I have received that causes me to believe not only in the wisdom of the appropriation that is carried in this bill but also in the wisdom of the last paragraph, which has just been discussed by the gentleman from Michigan.

Before doing it, however, I wish to refer to one question which was asked of the gentleman from Michigan, with regard to the changed estimate of the department as to the cost of the construction authorized under "Increase of the Navy." The increase in the estimate of \$19,000,000 more than the estimate of last May is due to many causes. After the estimate of last May was submitted, certain construction was authorized upon the *Maryland*; after the estimate of last May improvements were determined upon, increasing the cost; \$6,000,000 of the

increased estimate was for payment of obligations due in the settlement of past contracts. Fire control is to be installed. And then the increased costs due to overhead which have occurred by reason of the suspension of activities. There has been a revision of the estimates of the contractors, most of the contracts being on the cost-plus basis. Consequently the officials who come before us now have to present this revised estimate.

Now, I want to call attention to the cost of the Navy, because it bears directly upon the request for another conference on the limitation of armaments. This morning I read in the Washington Post that the House Committee on Appropriations had reported its \$290,000,000 naval bill. There is no reason why the Congress and the country should not know the facts. The facts are that instead of it being a \$290,000,000 naval bill it is a \$325,000,000 naval bill. Gentlemen of the committee know, and the gentleman from Michigan [Mr. KELLEY] very frankly stated in his report, that the Budget Bureau in submitting its estimates followed the unfortunate policy of asking for indirect appropriations, and indirect appropriations amounting to \$35,450,000 are carried in the bill. That \$35,000,000 comes out of the Treasury. It is not segregated in a separate vault somewhere in the city of Washington. It comes out of the Treasury and is just as much an appropriation as the \$290,000,000. So that the appropriation for the next fiscal year is \$325,000,000 as against \$343,000,000, which was made available last year. I say I favor it, notwithstanding the fact that it is so enormous, because conditions existing among the naval powers demand that we maintain our fleet, and I am unable to see how it can be done for less.

Mr. COCKRAN. Will the gentleman yield for a moment?

Mr. BYRNES of South Carolina. Yes.

Mr. COCKRAN. Will the gentleman explain to some Members here, who, like myself, may be unaware, the significance of indirect appropriations?

Mr. BYRNES of South Carolina. I thought the gentleman from New York was familiar with it.

Mr. COCKRAN. Some others here may not be.

Mr. BYRNES of South Carolina. A provision is carried in this bill making available for the expenditure of the department, in addition to the direct cash appropriations, an amount

of \$30,000,000 now credited to the Navy, in what is known as the naval supply account, and \$5,000,000 in the clothing account, making a total of \$35,000,000. That \$5,000,000 in the clothing account has accumulated by the sale of clothing to the enlisted men. It is to the credit of this clothing account. It ought to be covered into the Treasury, but instead of being covered into the Treasury it is made available here for ship construction by the simple provision that this \$5,000,000 in the Treasury to the credit of the clothing account shall be used for the increase of the Navy. Such appropriations make it possible for the Budget Bureau to claim a reduction in appropriations, but the money comes out of the Treasury and finally out of the pockets of the taxpayers.

This \$35,450,000 ought to be covered into the Treasury, and the provision for the increase of the Navy ought to carry a specific appropriation for the amount needed. I must say, in justice to the officials of the Navy Department, that they have no objection to the bill carrying on its face the amount that is actually appropriated. On the contrary they ask that the naval appropriation bill shall carry direct appropriations for the Navy so that the people of the country may know the cost of maintaining the Navy. I hope some day that will be done.

Mr. OLIVER. Will the gentleman yield for a suggestion there?

Mr. BYRNES of South Carolina. Certainly.

Mr. OLIVER. Has the gentleman included all of the indirect appropriations? The \$35,000,000 is the one that goes for new construction, and of course that added to the total in the bill makes \$328,000,000. In addition to that there is approximately \$450,000 authorized to be used by the Ordnance Bureau. In addition to that the Bureau of Steam Engineering estimated that they would use \$5,000,000, perhaps, from their reserve supply, and authority is also vested in the Ordnance Bureau to use an additional sum from their reserve supply.

Mr. BYRNES of South Carolina. That is correct. The bureaus have available material of which they can use a considerable amount without reducing their current funds. For the information of the House I am going to put into the Record a complete statement showing the amount of appropriations, direct, indirect, and of all characters that are made available by this bill. That statement is as follows:

	Appropriated, 1923.	Estimated, 1924.	Proposed, 1924.	Increase (+), decrease (-), bill compared with 1923 appropriation.	Increase (+), decrease (-), bill compared with Budget estimates.
Navy Department, direct appropriations.....	\$3,496,400.00	\$3,666,530.00	\$3,585,725.00	+ \$89,325.00	- \$80,804.00
Naval Service:					
Direct appropriations.....	290,857,073.25	291,137,445.00	290,221,612.00	- 635,461.25	- 915,833.00
Indirect appropriations—					
Cash.....	18,000,000.00	18,150,000.00	35,450,000.00	+ 27,450,000.00	+ 17,300,000.00
Stores.....		5,000,000.00			- 5,000,000.00
Total, indirect, cash and stores.....	298,857,073.25	314,287,445.00	325,671,612.00	+ 26,814,538.75	+ 11,384,167.00
Less stores.....		5,000,000.00			
Total cash, direct and indirect.....	298,857,073.25	309,287,445.00	325,671,612.00	+ 26,814,538.75	+ 16,384,167.00
Unexpended balances carried forward.....	45,000,000.00		(*)	- 45,000,000.00	
Total cash available.....	343,857,073.25	309,287,445.00	325,671,612.00	- 18,185,461.25	+ 16,384,167.00

* Department estimates that not more than \$5,000,000 will be realized.

* Negligible.

Principal reductions, bill compared with 1923 appropriations:

Engineering.....	\$355,000
Construction and repair of vessels.....	215,000
Pay of the Navy.....	298,534
Provisions, Navy.....	3,075,355
Maintenance, Bureau of Supplies and Accounts.....	189,260
Freight.....	750,000
Medical Department.....	640,000
Maintenance, Yards and Docks.....	150,000
Public works.....	1,151,000
Marine Corps.....	650,800
Scrapping.....	5,000,000
Total.....	12,474,949

Explanation of increase of bill over estimates:

Indirect cash, bill.....	35,450,000
Indirect cash, Budget.....	18,150,000
Increase.....	17,300,000
Net reduction in direct appropriations proposed in bill.....	915,833
Total of increase.....	16,384,167

I want to devote the rest of my time to discussing the necessity for the last paragraph of the bill. I did not know what my friend from California [Mr. LINEBERGER] tells us, that the President is now at work upon some plan for the calling of an-

other conference for the limitation of armament. I assume that the gentleman has that information from the President. I would be delighted to know that it is true. I must say that I would value the information more, and that I would feel more confident about it if only I could have the gentleman state that he did receive it from the President. But I do not see the gentleman from California on the floor. So far as I am concerned it is my earnest hope that he is correct. I say this because I approach this question without any partisanship. I know that no man was more interested in the success of the Conference on the Limitation of Armaments than I was. The conference met and it was our earnest hope that as a result of it there would be an end to naval competition. We did not believe that it would prevent war. We knew that men fought long before the battleship was invented; but we hoped that it would eliminate the competition in naval construction which was exhausting the taxpayers of the nations of the world. We believed, too, that in eliminating this naval rivalry we would lessen the causes of war.

There is no doubt that great good resulted from that conference. Why, if it had accomplished nothing more than bringing around the table the representatives of the various nations

and demonstrating that they could meet in a helpful spirit of cooperation to lessen naval competition, it would have accomplished unbounded good. But we need not deceive ourselves. Some people in America believed the adoption and ratification of the treaty would for all time end naval competition. They believe it to-day. Therefore it behooves us to let the people know exactly what the status of naval competition is. The duty rests upon us to provide for the common defense. In order to do that intelligently we must inquire as to the existing conditions, and when we make this inquiry we are forced to the conclusion that it is absolutely essential that there be another conference for the further restriction of naval armament.

It must first be understood that the United States made a greater sacrifice than any other nation in agreeing to the treaty for the limitation of armament. Why, we sacrificed by that treaty the completion of 13 capital ships then under construction. Work upon these ships is now suspended and it is costing us something every day that work is suspended. If they are finally scrapped, it will cost us \$75,000,000 to pay claims growing out of the cancellation of contracts. As the gentleman from Illinois [Mr. BRITTON] says, undoubtedly those 13 capital ships, if they had been completed, would have given to the United States the overwhelming naval strength of the world. The agreement required of Great Britain the scrapping of only two capital ships, which had progressed only to the blue-print stage, and it required the scrapping by Great Britain of 22 old battleships, many of which were obsolete. In addition to the 13 under construction, which we have to scrap, we must scrap 17 older ships, some of which were obsolete. Notwithstanding this sacrifice our people gladly welcomed it because we believed it would put an end to naval competition. The treaty has not been ratified by France or by Italy. My information is that there is some doubt about its ratification by France and that it is certain that, if it is not ratified by France, Italy will not ratify, and that Italy awaits action by France.

It is difficult for me to believe that France will not ratify the treaty. I must assume for the purpose of my statement that France is going to ratify the treaty, but assuming that she does and Italy follows and the treaty goes into effect, then let us see what is the result. I have been forced to the conclusion as the result of investigation that the treaty will effect no material reduction in naval expenditure; that it means only a change in the character of naval competition and to the disadvantage of the United States of America. To all intents and purposes the treaty is in operation in Great Britain, Japan, and the United States—that is, the construction prohibited by the treaty is now suspended. And yet the budget of Great Britain for the present year for the Royal Navy is \$338,000,000 at the prevailing rate of exchange. This bill makes available \$325,000,000. There can be no greater evidence of the fact that it has not resulted and will not result in any material decrease of naval expenditures unless there is further restriction on the modernization of ships now permitted by the treaty and a limitation upon the construction of all ships as originally proposed by the United States.

Let me call attention to this fact bearing on the question of expense, that when we consider the \$338,000,000 to be expended by Great Britain this year and \$325,000,000 authorized in this bill, it must be borne in mind that our naval bill for 1915 carried only \$145,503,965.48.

Mr. CHALMERS. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. CHALMERS. Will the gentleman give us some figures of what England's appropriation amounted to in that year?

Mr. BYRNES of South Carolina. I wish I had it, but I only looked up these figures as to the United States a few minutes ago.

Now, as I say, the treaty has changed the character of the competition. Let me call attention to the fact that under the terms of the treaty few restrictions are placed on modernizing the older ships.

Provided it does not exceed 3,000 tons, additional protection can be provided against air attack and also protection against submarine attack. Ships can be equipped with fire control, a very expensive equipment, and if desired they can be converted into oil burners. Other modern equipment which will tend to make the older ships retained under the treaty more effective naval weapons is permissible. As a result we find Great Britain spending from one to four million dollars on the older ships she has retained. It is manifest to any man here that if we are allowed to keep 18 capital ships and Great Britain is allowed to keep 20, and while we spend nothing upon our 18 ships, Great Britain spends from one to four million dollars

to modernize her older ships, she immediately secures an immense advantage. The equality contemplated by the ratio of 5-5-3 is immediately destroyed. That is exactly what is taking place to-day.

Let us compare the strength of our Navy in each of the various types going to make up an all-around fleet with similar types of Great Britain and Japan. First comes the capital ships. For the next 10 years or until the completion of the two new Hoods now authorized for construction by Great Britain, and which will be laid down this month, the United States will have 18 capital ships with a total of 500,000 tons. Great Britain will have 22 capital ships with a tonnage of 580,450 tons, and Japan will have 10 capital ships with a total tonnage of 301,320 tons. Tonnage figures, however, do not tell the whole story. At the present time the United States has three vessels capable of shooting at ranges of 25,000 yards or above, whereas Great Britain has 16 vessels. The number of United States turret guns over 12 inches in caliber is 148; the number of British turret guns over 12 inches in caliber is 188; weight of United States turret broadside, 262,500 pounds, and weight of British turret broadside, 315,200 pounds.

Great Britain has 9 vessels capable of steaming 25 knots and greater, and Japan has 4 vessels capable of doing the same. The United States has none. Of the vessels capable of steaming 23 knots or better Great Britain has at present 14 and with the completion of the two new vessels, the Hoods, will have 16. Japan has 10, and the United States has none. The question naturally suggests itself as to why we have in our Navy no vessels of this speed, and the answer is that the naval experts do not agree as to the importance of this speed. Our Navy has stuck to the idea of a fleet with a speed of 21 knots. The speed of the fleet is fixed by the slowest ship in the fleet, and apparently they have not attached such great importance to the speed of the battleships. That is the view of the experts. I am submitting the facts.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. MONDELL. In making his comparisons did the gentleman take into consideration the two ships, the *West Virginia* and the *Washington*?

Mr. BYRNES of South Carolina. No; I am speaking only of those to-day in commission.

Mr. MONDELL. But the gentleman has referred to what England would have when ships of the Hood type were completed, and it seems to me if he is going to refer to them he ought to refer to these others.

Mr. BYRNES of South Carolina. But I specifically said that Great Britain had at the present time 14, and that when the two were completed there would be 16. I did not include them without calling attention to them.

Mr. MONDELL. Can any comparison be made that is accurate that does not include the two very large and fine ships that we have almost completed?

Mr. BYRNES of South Carolina. Oh, I think so. I can eliminate the two Hoods and compare only those in commission, the figures being 14 to none for us. I do not refer to the *West Virginia* and *Colorado* because I do not know what speed they will have. But I would say to my friend that I am satisfied those ships will not have that speed. It will be nearer 21 knots. It does not necessarily involve criticism, because our naval experts do not believe that the speed of the ships to which I have referred in other navies is essential. The contention of our experts is that a 21-knot fleet is a superior fleet.

Mr. MONDELL. I thought the gentleman was emphasizing speed and disparaging our Navy.

I simply called attention to the fact, saying at the time that there was a difference of opinion on the part of the naval experts, and so far as I am concerned I have enough confidence in the wisdom of the experts of our Navy to believe a 21-knot fleet is all that we need. But I am calling attention to the facts, so that the House may know the exact situation. First, I call attention to the four battle cruisers that Great Britain has and the four that Japan has under the terms of the treaty, while we have none.

Mr. OLIVER. Mr. Chairman, will the gentleman allow me to make an observation in that connection?

Mr. BYRNES of South Carolina. Yes.

Mr. OLIVER. I am sure that the gentleman does not intend to state that all of the American naval experts are in agreement that speed amounts to but little.

Mr. BYRNES of South Carolina. Oh, no.

Mr. OLIVER. The fact is, I would say that the majority of the naval experts are strongly in favor of speed, and recognize that it is a most important element.

Mr. BYRNES of South Carolina. I will only say this, that the fact is, whatever opinion the majority may have entertained, that the experts who have governed the policy have not constructed battleships of greater speed than I have called attention to. If they are in the minority, they are an influential minority, because we have not got battleships of greater speed, and they continue to assert to-day that they believe in the 21-knot fleet. That is the explanation they give to me for not saving ships of greater speed. Of course, I am speaking of battleships.

Mr. MOORE of Virginia. That must have been the position taken by our experts in the recent conference; otherwise the results would not have been reached that were reached by that conference.

Mr. BYRNES of South Carolina. And otherwise the result would not have been reached that has been reached in our Navy. I intended, however, to refer especially to the cruisers.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman yield at this point in corroboration of his position? The *West Virginia* just now under construction, I suppose the last word so far as our naval experts are concerned, has a speed of 21 knots and a fraction.

Mr. BYRNES of South Carolina. I was not certain of it and did not make the statement.

Mr. OLIVER. There are, however, two battleships that will be scrapped under the treaty with a tonnage of 43,000 each, and each of them would have had a speed of 23 knots, showing that 21 knots is not the last word in naval construction from an American standpoint.

Mr. BYRNES of South Carolina. If they scrapped the 23-knot ship and kept the 21-knot, the experts must have thought the 21-knot was more desirable.

Mr. KELLEY of Michigan. The *West Virginia* is given as a 21-knot ship, and that is the last ship under construction.

Mr. BYRNES of South Carolina. If our naval experts agreed to scrap the 23-knot ship and keep the 21-knot ship, that is sufficient to convince most of us that they believe in the 21-knot ship. But I want to talk about the cruisers, because that is what first started me on this investigation. Every layman like myself knows that the cruiser occupies a very important place in the fleet. I can well imagine from what occurred during the World War that five days after we became engaged in any conflict fast cruisers could operate to our great injury upon our commerce on the seas. And if we have no vessels—and we have none—of sufficient speed to operate against enemy cruisers engaged on such duty, it is a serious deficiency in our naval strength.

Against such cruisers we have only our destroyers and we are in a very inferior position, because the destroyers, while they have the speed, have not sufficient offensive and defensive power to attack the cruisers. One of our destroyers meeting the modern light cruiser of Japan or Great Britain would simply retreat. Her only hope of attacking a cruiser would be to attack by night, by stealth. I am told that we have not a single cruiser of a later date than 1908 in commission. We have been building since 1916 ten light cruisers, each of 7,500 tons displacement, and they are armed with 6-inch guns, capable of cruising at a speed of 33 knots. The appropriations carried by this bill make it possible to complete most of these ships within the next year. It will advance by some months the time within which they will all be completed. Great Britain to-day has four cruisers of 8,000 or more tons, capable of 27 knots. The total tonnage of her four cruisers is 56,700 tons, and two of them, known as the *Courageous* and the *Glorious*, are armed with four 15-inch guns. We have nothing to offset these cruisers.

Of the capital ships, Great Britain has four battle cruisers, Japan has four battle cruisers, and the United States has none. In case of conflict with either of these two nations these cruisers could, for at least a few days, do untold injury to our commerce, and our Navy has no vessels of sufficient speed to operate against an enemy battle cruiser force engaged in such duty, except the destroyers which have not sufficient offensive and defensive power to attack a battle cruiser, except by a stealthy night attack.

But it is in cruisers that we are particularly deficient. We have not now in our Navy a single cruiser of later date than 1908. We have been building since 1916 ten light cruisers each of 7,500 tons displacement, armed with 6-inch guns and capable of cruising at a speed of 33 knots. The appropriations carried by this bill will make it possible to complete most of these ships within the next year. Great Britain has four cruisers of 8,000 tons or more, capable of 27 knots, or better. The total tonnage of these vessels is 56,700 tons, and two of them,

the *Courageous* and the *Glorious*, are armed with four 15-inch guns. We have nothing to match these cruisers.

Mr. SEARS. Will the gentleman yield?

Mr. BYRNES of South Carolina. Will the gentleman from Florida kindly excuse me? I must decline.

In light cruisers of 3,000 to 8,000 tons, all of 27 knots or more, Great Britain has 40, for a total tonnage of 161,690, and Japan has 10, with a total tonnage of 51,100 tons. In ships building and projected Great Britain has 2, totaling 15,100 tons, and Japan has 11, totaling 66,520 tons. Of larger cruisers Great Britain has building and projected two, totaling 19,500 tons, and Japan four, of 40,000 tons total, all of which will make 27 knots or more, and armed with 8-inch guns. Practically every ship enumerated here for Great Britain and Japan is one authorized since 1913, and therefore incorporate the features of construction learned from war experience.

In cruisers, therefore, of 3,000 tons and upward, of modern type, it will be seen that built, building, and authorized the United States has 10, of a total tonnage of 75,000 tons; Japan has 25, of a total tonnage of 157,730 tons; and Great Britain 48, of a total tonnage of 252,990 tons.

Naval experts insist that we can not have a well-rounded fleet as long as we are deficient in this class of vessels. They describe the functions of the light cruiser as—

(1) The service of information, scouting; in other words, searching for the enemy fleet and finding out what he is doing.

(2) Screening; that is, guarding our fleet against surprise and keeping off the enemy scouts.

(3) In battle supporting our destroyers in their torpedo attacks against enemy battleships and beating off the enemy destroyers attempting to torpedo our battleships.

(4) Operating against enemy shipping and protection of our own shipping against enemy raiders.

When the fleet is cruising they are flung well in advance of the main body to locate the enemy and prevent enemy scouts from locating our main fleet. A scout to get its information must be prepared to fight for it; it must be expected that enemy scouts will be in position to prevent our scouts from breaking through their lines and obtaining information regarding enemy fleet. It will be readily seen, therefore, that only a scout of equal or greater power will be able to fight its way successfully through a line composed of enemy scouts.

These are the functions of the cruiser. I entertained the opinion that this function could be exercised by our destroyers, in which class of vessels we have such superiority over other powers. But I am told and am convinced that the destroyer can not adequately perform the functions of the cruiser. The destroyer scout upon meeting the enemy scouting line, composed of light cruisers, can not engage them, but must fall back upon supporting vessels or be sunk. Naval authorities insist that a scout must be prepared to fight for its information. The destroyer can not match the cruiser in fighting strength, and must therefore return without information. The destroyer lacks the cruising radius, the seagoing qualities, the offensive power, and the long-range radio facilities, in the opinion of our naval experts. They have the speed, but only in smooth water. The cruising radius is limited by the smallness of the vessel.

In view of this situation as to cruisers the question arises why our Navy has neglected to build cruisers and constructed so many destroyers. The explanation is that the destroyers were constructed during the war. Then all of our efforts were devoted to the one object of destroying the submarine and making possible the transportation of men and supplies to Europe. We can recall the time when the world believed the outcome was dependent upon the success of the allied nations in transporting supplies to Great Britain to enable them to hold out until our armies could be placed upon the battle fields. Because the destroyer was the most effective weapon against the submarine all of our energies were devoted to building destroyers. Great Britain concentrated upon the building of cruisers more than destroyers.

Our small destroyer has a cruising radius of 3,000 to 4,000 miles. Assuming that in case of offensive operations against Japan, our scouting force should leave Honolulu and steam to the vicinity of Japan, a distance in a direct line of approximately 3,400 miles. It can readily be seen that with a cruising radius of only 4,000 miles they are unsuited. The same is true in case of operations against Great Britain; they would have to cross the Atlantic and would have no means of replenishing their fuel supply.

No one likes to assume that it is possible to conduct operations against either of these powers with whom we are now on friendly terms, but we are also on friendly terms with all other nations, and if we are not to assume such operations there

really is little excuse for maintaining a fleet at all. Japan and Great Britain are not maintaining navies because of the naval strength of Brazil or Chile.

Let us see what Japan is doing. Recently the press carried Baron Kato's announcement as to their cruiser program. It created the impression that he was making a great reduction in the proposed building program. But the facts are different. Japan discontinued construction of 9 cruisers of a total of 59,500 tons, and substituted for them 8 cruisers totaling 70,000 tons. For 22 first-class destroyers totaling 30,800 tons, she substituted 24 destroyers totaling 13,500 tons. She discontinued the building of 46 submarines of 40,300 tons total, and substituted 22 totaling 28,165 tons, averaging over 1,200 tons each, with several over 1,500 tons, and some over 2,000 tons. The size of the light cruisers of 5,500 tons was increased to 7,500, and those of 8,000 tons were increased to 10,000 tons. Therefore, while Japan's post-treaty program announcement shows a slight decrease of tonnage, or 12,335 tons, from a total of 144,100 tons, there is a very marked increase in the total military value of these ships. In other words, Japan properly has taken her cue from the naval treaty.

She is violating no part of it, but she is so modifying her program as to build up the maximum fleet strength permissible within the limits established by the treaty. It is significant, too, that she is modifying her vessels so as to give them greater radius of action, better sea-keeping qualities, and greater offensive power. She is changing from small vessels specially adapted to home defense to vessels capable of carrying on an offensive operation at great distances. Manifestly, these changes are not made to provide for defensive or offensive operations against China; she can have in view only the two other great naval powers—Great Britain and the United States. I have no criticism to make of her plan to have the most efficient navy within the terms of the treaty. The treaty limited the size of cruisers to a tonnage of 10,000 and to a maximum armament of 8-inch guns. Several of the ships of her new program will be up to this allowed limit.

Great Britain already has several light cruisers practically at this limit and is building others, as shown above.

The nearest approach of the United States to these programs is the 10 cruisers authorized in 1916, which will have a tonnage of 7,500 and carry a 6-inch battery. It takes several years from the date of authorization by Congress before a vessel of this type is commissioned, and therefore our inferiority in cruisers will continue for some years.

I have said that heretofore I had looked upon our destroyer force as offsetting in great measure the superiority of the other powers in cruisers. In destroyers alone we are superior in strength. We have 281 destroyers, totaling 330,917 tons. Great Britain has 185 destroyers, totaling 210,000 tons; and Japan has 53 destroyers, totaling 54,985 tons. In addition to destroyers, Great Britain has 16 flotilla leaders, of 27,810 tons. In destroyers, building or projected, Great Britain has 5 of 6,525 tons total, and 2 flotilla leaders totaling 3,500 tons. Japan has 39 destroyers, totaling 49,975 tons. Totalling these, therefore, we find 333,917 tons for the United States, 247,546 for Great Britain, and 104,900 tons for Japan.

Prior to the war it was accepted that for every battleship six destroyers were necessary for the proper organization of the fleet. During the war it was discovered that they were the only means by which submarines could be combatted successfully; and with this new use, to which they are peculiarly adapted, naval experts hold that the number can no longer be regulated by the number serving with the capital ships of the fleet. For years destroyers must serve our Navy in performing the duties performed by light cruisers in the other navies. Their effectiveness, however, can be best judged from the statement that a 32-pound shell is thrown by their guns, as against the 105-pound shell and the 250-pound shell thrown by the light cruiser guns of 6-inch and 8-inch caliber.

The flotilla leader to which I have made reference is an enlarged size destroyer more nearly meeting the requirements for the scout than the destroyer can with its small tonnage. Such a vessel is made the leader and administrative flagship of a flotilla of 18 or more destroyers, and should prove of great value to the destroyer force. This type of destroyer has been developed by Great Britain in recent years.

In submarines the United States has 59, with a total tonnage of 37,142 tons; Great Britain has 36, totaling 29,157 tons; and Japan has 28, totaling 23,374 tons. Building or projected, the United States has 35 of 29,553 tons total, Great Britain 6 with a total tonnage of 5,500 tons, and Japan 21 with a total tonnage of 18,340 tons. The totals in fleet submarines are not included in this statement. They are as follows: Built, building, or authorized, the United States has 6 of a total tonnage of

9,693 tons; Great Britain 8, totaling 15,180 tons; and Japan has 25, totaling 32,665 tons.

While the United States has considerable tonnage in submarines, we are deficient in certain types. Our submarines were authorized and laid down during the war. In the main they embody pre-war designs, but have been modernized so far as hull construction would permit.

They are necessarily restricted in great measure to defense because they have comparatively low surface speed and comparatively low cruising radius. In time of war the submarine with sufficient radius of action can be of great value. As a scout it is the one which does not have to fight for its information. At present we have no submarine of sufficient cruising radius to reach an enemy port from her nearest base, stay on patrol there the necessary time and get back to its base. Such vessels are needed also as the war has shown for mine-laying. They should be able to reach the enemy coast, drop mines at the entrance to ports and then have sufficient fuel to return to their own base.

In the announced program of Baron Kato it was stated that Japan would discontinue the projected building of small submarines of 800 or 900 tons and substitute for them those ranging from 1,000 to 2,000 tons which will have the necessary cruising radius for any campaign in the Pacific.

From this statement as to the status of the three navies in ships built, building, and projected, it is evident that the treaty has not succeeded in stopping naval construction. In battleships, while new construction is limited, Great Britain is spending millions in modernization of old ships to be retained, making them up-to-date fighting ships. In airplane carriers the limitation will not be effective for some years. In cruisers we find the United States a poor third, and the other two nations carrying on building programs which will each year make us slightly more inferior. In destroyers we maintain our superiority but Great Britain is building larger destroyers, of which we have none and none projected. In submarines we have not made the progress we should in developing new types, and both the other great naval powers are spending considerable money in construction of the most modern types.

As I stated at the outset, there is but one conclusion that I can reach, namely, that another conference should be held. Therefore I am in hearty accord with the provision of the bill respectfully requesting the President to invite the Governments of Great Britain, Japan, France, and Italy to such a conference. A year has passed. We have all had opportunity to ascertain the effect of a treaty so limited in its scope, and I have no doubt that the taxpayers of other nations, who see as we do that no material reduction in expenditures has resulted, will be just as anxious as we are to consider a proposal to reach an agreement along the lines first proposed by the Government of the United States.

You can not limit naval power by an agreement as to naval expenditures because of the varying purchasing power of the currency of the different nations. Nor could you base an agreement solely upon men, because it would not be sufficiently comprehensive; it would not lessen naval construction with its burdens. Nor could you arrive at any fair agreement as to men because of the varying policies of the nations, some using civilians to perform duties ordinarily performed by the enlisted men. But we can limit the modernization of the ships retained under the present treaty and the construction of ships not now included in the treaty.

The responsibility rests upon us to provide for the common defense. The Navy is our first line of defense, and the people of the United States rely upon our maintaining an adequate Navy for the protection of the country. We hear much of the 5-5-3 ratio. No two men agree as to what it means. Hardly any two naval officers agree. I do not see how anyone can read into the 5-5-3 agreement anything more than an agreement as to the ratio to be maintained in capital ships and aircraft. But though not in the treaty, the people of America have believed that this 5-5-3 ratio should apply to naval strength, to the strength of the entire fleet and not solely to battleships. It is their belief that the United States should have a Navy the equal of any other navy.

Now that it appears that we have not such a Navy, another conference should be held. And if further limitation along the lines suggested can not be agreed upon, then we should immediately proceed to the construction of such fighting units permitted by the treaty as will enable us to maintain the ratio set for capital ships. Fighting units must be met by similar fighting units. We must enter upon the construction of cruisers that will enable us to meet the cruiser strength of the other powers.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of South Carolina. I regret that I can not.

Mr. PARKER of New Jersey. You do not believe you have to construct new cruisers anyhow?

Mr. BYRNES of South Carolina. We must, unless by agreement other powers scrap the cruisers they have in excess of ours. I still have hope, a hope based upon the progress thus far made, that if the representatives of the powers named can again gather around the table an agreement can be worked out whereby the necessity of building them can be avoided. But it takes time to build them, and unless within a reasonable time there is some hope of securing such an agreement I certainly would favor authorizing the construction of cruisers to match the cruiser strength of other powers and would also advocate that the example of the other nations be followed in modernizing, in so far as is permitted by the treaty, the capital ships retained, to the end that our Navy shall in fighting strength be the equal of any other navy. That is my attitude. But my hope is that the President will extend such an invitation as is respectfully suggested in this bill; that the invitation will be accepted, and that the same spirit of cooperation which made possible the agreement as to capital ships will make possible a further agreement that will effectively put an end to competition in naval construction, removing a fruitful source of conflict and lessening in all nations the burden of taxation which now threatens to exhaust the rich and beggar the poor.

Mr. KELLEY of Michigan. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. MACLAFFERTY].

The CHAIRMAN. The gentleman from California is recognized for 15 minutes.

Mr. MACLAFFERTY. Mr. Chairman and gentlemen of the committee, I feel at liberty to take a few minutes of your time because our view is across the western ocean, the Pacific. It is perfectly natural that more consideration should be given in this House to affairs to the eastward than to the west. It is reasonable to expect that, because there are so few of us from the West in this House. Nevertheless, gentlemen, I think there is no one who will deny this, and that is that the world's great activity in the future is to be upon the Pacific Ocean. I do not mean in 5 years, or 10 years, or necessarily 20 years, but I mean in the future. And we, therefore, whose front doors are exposed to any trouble that might occur there, naturally feel a little more solicitous than some of you who perhaps live along the Mississippi River. You will pardon us for that.

I have listened with a great deal of interest to the exposition by the gentleman from South Carolina [Mr. BYRNES]. I believe that I agree with 99 per cent of what he says. And yet I can not help asking myself this: What if another world conference is called, and if the lower grades of ships are limited by agreement, if indeed all the warships could be wiped off the face of the seven seas to-day, would not the power then rest with the nation that owns the biggest merchant fleet which can carry guns upon its decks?

It seems to me we have got to go a great deal deeper than we have yet gone before strife is banished from the world. My reading of history leads me to believe that at some time or other every nation gets into a quarrel, and that therefore it is well to be prepared. It seems our Nation has found itself unprepared more times than it ever should have.

I believe that because we lacked some ships a power now friendly to us burned our Capitol. I believe that once because we lacked ships we paid tribute to the pirates over on the Barbary Coast, a thing that will always be to our disgrace. I believe that because we lacked ships of the merchant variety we found it necessary to pay hundreds of millions of dollars to other powers within the last six years to carry our men overseas to help save the world from perdition. And it occurs to me in passing to remark this, that it was a most fortunate thing for us that our enemy in that war was not Great Britain or was not Japan.

Now, gentlemen, we upon the Pacific coast of this country fear that the day will come when one of the world's greatest struggles will be upon the Pacific Ocean. I do not wish to say anything here that would be offensive to any branch of our Government, but there are some things that I feel I must in justice say, and I am going to say them, and I hope I will not be misunderstood.

In mentioning the three great naval powers we hear of Great Britain, we hear of the United States, and we hear of Japan. Those are the three great naval powers of the world. It is believed by many people that if we have any serious trouble on the Pacific Ocean in the future, it will be with the last-named nation. That may never come. God grant that it may never

come. Nevertheless, it may come; and we recognize that we may have trouble here and there, or else we would not have a Navy and we would not be taking the time of this House to-day in discussing affairs relative to the good of the American Navy.

I admire the Japanese nation. I admire the Japanese people. I have friends in Japan. I know many Japanese personally and esteem many of them. But I want you also to remember that Japan as a nation has her grave and serious problems, and I want you to remember also that it is not always the rulers of a nation who make the war, but that it is sometimes the mob in the streets that makes the war and that pushes the leaders to a point where they have to go into war. That has been history more than once. Now, I speak of the problems of Japan. What are they? Let me remind you of a few of them. The Japanese Archipelago is about the size of the State of California. When I make that comparison, do not immediately get into your minds the picture of some wonderful valley like the San Joaquin and the Sacramento Valleys in California, which, it is claimed, could support easily a population of some 20,000,000 or 25,000,000 people. Do not get that thought into your mind, and do not think of the hundreds of other valleys in California that are wonderful in very deed; but remember that only one-seventh of Japan is arable land, and remember that Japan has a population of about 50,000,000 people. And remember also that the birth-rate increase in Japan is in the neighborhood of 700,000 a year. Now, it seems to those who think they know the most about the Japanese that the last thing the Japanese ever thinks of is limiting the birth rate. Any of you who have ever been in Japan or in certain parts of California will realize that the Japanese have a thoroughly Rooseveltian idea, because their children begin knee-high and go up like a flight of steps. That is Japan's serious problem. That is the problem that confronts her people—how to take care of her surplus population. The Japanese coolie can not live in China, because the Chinese coolie works more cheaply than he does. The Japanese coolie can not live in Korea, although Japan to-day absolutely dominates that country in a way that I believe is a shameful history, because the Korean coolie works more cheaply than the Japanese coolie.

The Japanese coolie can not live in the island of Formosa for the same reason, and I for one know California well enough and love it well enough so that I am not going to blame the Japanese for wanting to live in the State of California, although I am not now discussing the Japanese situation in California. But I do say this, gentlemen, that when you remember the facts I have just stated, and remember that it is a part of the religion of the Japanese—I am speaking literally when I say it—it is a part of the religion of Japan that the world belongs to her, that she has a right to any part of the world's surface if she needs it, and that the Japanese are descendants of the sun goddess and of divine origin, then you can easily imagine that some time in the future, under stress of complicated conditions that we to-day can not even anticipate, we on the Pacific may find ourselves in conflict with Japan. I say again, God grant that that may never be.

Now, gentlemen, if that day ever comes, it must be that we of America have learned enough of the past and have learned enough of the wisdom of the present to see to it that this institution which we are considering this morning, this branch of the defense of our Government, is amply supported in every way possible, and that no advantage is taken of us, and that we shall not fail to do anything that is necessary to be done for the honor of our country and for the cause of civilization.

When the discussion was going on here about the Budget yesterday I could not help but think that I had a right to feel sore at that Budget, because there is an appropriation that ought to be in this bill to-day, gentlemen. In justice to our country it ought to be there. I am here to say, because perhaps no one else will say it if I do not, that there ought to be at least \$100,000 in this bill to provide for something being done on the proposed naval-base site at Alameda; because the city of Alameda has given this Government a deed conditional upon its doing certain things within a time that, I think, expires next year. It has given it a conditional deed to over 5,000 acres of wonderful water-front property in the city of Alameda, which has been approved by commissions appointed by this Government, and which, while I have no authority to say it, I will say is approved by the Navy Department and wanted for a naval base on San Francisco Bay.

The important thing is this, not that that \$100,000 will give us anything more than a start, but that a naval base must be developed on the Bay of San Francisco eventually that will take care of the largest fleet that can be assembled on the Pacific. To-day there are 12 of our capital ships there, with all the other ships that are necessary. Yet there is no real naval base on the Pacific coast. I bear in mind the wonderful

plant at Mare Island, with which I am more or less familiar, having lived in that neighborhood since 1874. I bear in mind the navy yard at Bremerton. I bear in mind what there is at San Diego.

Mr. LINEBERGER. And at Los Angeles.

Mr. MacLAFFERTY. Yes; and at Los Angeles; but I do say that this Nation must build a naval base upon the Pacific that will care for all time for the biggest fleet that this Nation can maintain on the Pacific Ocean.

Gentlemen, 25 years is nothing in the scheme of things. I was speaking of Japan a moment ago. Do you realize that the same dynasty has sat upon the throne in Japan in unbroken line since 500 years before Christ was born? That is true.

The Japanese is not an individual; he is a nationalist. I wish we Americans were more nationalist than we are. The Japanese sinks himself into oblivion for the good of Japan. I have mentioned Alameda not with the expectation of getting anything in this bill for it but simply because it is my duty to my country to mention it, and because I think the time will come when Congress will take steps to acquire that base.

Mr. BLANTON. Will the gentleman yield?

Mr. MacLAFFERTY. Yes.

Mr. BLANTON. I want the gentleman to read that fine report of the Alameda base by his colleague [Mr. CURRY].

Mr. MacLAFFERTY. Mr. CURRY, my colleague, is all right, and some day he will be for the Alameda base. I am for Mare Island. Mare Island, when we are both gone, will be no less than it is to-day. [Applause.] Mr. Chairman, I yield the balance of my time.

Mr. BYRNES of South Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER. Mr. Chairman, I had not intended to speak during the time allotted to general debate, but the very informing and interesting speech of my friend, the gentleman from South Carolina [Mr. BYRNES], suggests to me the submission of some supplemental facts.

In August, 1916, Congress authorized the construction of 10 battleships and 6 battle cruisers. We now have in the fleet but one of these ships, and under the treaty we are not allowed to add more than two more of the capital ships then authorized to our fleet. In other words, of the 16 capital ships authorized in the building program of 1916 we are allowed under the treaty to retain only three. The treaty requires seven of the battleships and all of the battle cruisers authorized in 1916 to be scrapped. Four of the seven battleships to be scrapped are by far the best and most powerful that were authorized in the 1916 program. Each of these four battleships now to be scrapped would have had a displacement tonnage of 42,000 tons. Each would have carried twelve 16-inch guns and have had a speed of 23 knots or better.

No navy in the world had any battleships like these, either built or building, and it is questionable whether any other country would have been financially able to lay down for many years vessels of this type. In 1916 our Navy had no battle cruisers. We now have none, and under the treaty we will not be allowed to build any until after 1937. Notwithstanding this, our best naval experts have for several years been in full agreement that the most important, the most urgently needed capital ships for the fleet are battle cruisers. Under the treaty we will be permitted to convert two of the battle cruisers into airship carriers, but these two carriers can only be provided with 8-inch guns, whereas the original program provided that, as battle cruisers, they should carry twelve 16-inch guns. If these cruisers had been completed according to the original program they would have had a speed of more than 33 knots.

In order that you may understand the military difference between a battleship of 42,000 tons displacement, carrying twelve 16-inch guns, with a speed of 23 knots, and some of the battleships which the treaty allows us to retain, it may be well to take a brief inventory of the 18 battleships, which until 1937 will constitute the capital ships of our Navy. Eleven of the 18 will be ships carrying from eight to ten 14-inch guns, with an average speed of 20 knots, capable of throwing a projectile weighing 1,400 pounds about 20 miles. Three of the 18, one of which is now with the fleet and two—the *West Virginia* and *Colorado*—will probably be added to the fleet within the next 18 months, will have a displacement of 33,000 tons, a speed of about 21 knots, and will carry 16-inch guns, capable of throwing accurately projectiles weighing 2,100 pounds more than 25 miles.

Of the remaining 18 battleships all will be ships of less than 21,000 tons displacement, with an average speed of from 18 to 19 knots, each carrying 12-inch guns capable of throwing a projectile weighing 870 pounds about 15 miles. In other words, any one of the battle cruisers which under the treaty we are to scrap in point of military value would have been far more

effective than all of these six remaining battleships. One of the battleships or one of the battle cruisers which under the treaty will be scrapped could have destroyed all of these six battleships, which will hereafter constitute a part of our fleet, without even getting within gun range of any of the ships so destroyed.

You will see from this how generous our country was in surrendering naval power in order to secure the treaty, yet there has been no complaint, because our people have felt, from assurances given, that under the treaty we are reasonably immune from war for at least 10 years. I am not without faith, and hope that this will prove true.

It is interesting to recall that Secretary Hughes first proposed a limitation not only on capital ships and aircraft but also on the smaller craft. Unfortunately, as the discussion advanced, some of the powers seemed unwilling to place any limitation on submarines or other auxiliary craft. Our representatives were more than liberal in consenting to surrender seven battleships and six battle cruisers, the most powerful of such types ever designed by man, and in agreeing to retain in lieu thereof old battleships of but little military value in their present condition.

Military experts who have given study to the subject estimate that in point of military value, measured by tonnage, gun power, and speed, the six battle cruisers and seven battleships which we are to scrap under the terms of the treaty more than doubled the 18 ships which we will retain.

Information given to the committee justified the inclusion, in the pending bill, of a request to the President to call the powers together again for the purpose of having them consider placing limitations on all types of naval ships. The committee was in possession of facts tending to show that one of the great naval powers which signed the treaty, without violating the letter of the treaty, is now building a large number of small craft; that still another power is expending large sums of money in modernizing its capital fleet. It is easy to see that if we continue the policy of providing no money for new construction we can neither hope to reach nor maintain the 5-5-3 ratio, as contemplated in the treaty. Some naval authorities insist that even now we are third in naval strength, although the treaty contemplates that our naval power shall be equal to the greatest. It will be well for this Congress to thoughtfully weigh the present value of the ships in our Navy with those in the Japanese and British Navies.

In this connection I deem it proper to state that our best naval advisers have strongly urged a large appropriation by this Congress for the purpose of modernizing ships, which the treaty permits us to retain, and for building additional aircraft carriers and types of smaller craft. Their recommendation is accompanied with the statement that such an appropriation is necessary to give us an effective and well-balanced fleet.

It is not fair to our people to lead them to believe that we can longer refuse to make appropriations for new construction and retain our present rank as to naval strength with either Japan or Great Britain. Both Japan and Great Britain are spending money in modernizing their capital ships and in building new auxiliary craft.

In my judgment the most imperative demands now are for additional aircraft carriers and larger subcraft. There are many naval officers who believe that the battleship will not be the most effective weapon in future wars. It will be a supporting arm to the effective weapons, but the submarine, aircraft, aircraft carriers, and light cruisers will play the most important rôle. The gentleman from South Carolina stated that some of our naval officers discounted speed in capital ships. What ships, may I ask, have we in our Navy, or what ships will we have under the treaty, that could endanger or drive from the sea any of the fast battle cruisers owned by Japan and Great Britain? These cruisers have a speed of more than 30 knots, a gun range equal to that of our largest battleship, and yet none of our battleships will have a speed exceeding 21 knots. Naval experts are further agreed that, owing to the fact that sea battles in the future will be fought at long ranges, heavy side armor is no longer of such great importance, and that more attention should be paid to deck protection. Battles in the future can be fought effectively at ranges of from 25 to 30 miles. At such ranges projectiles are thrown high into the air and as a result the decks rather than the sides of ships are open to greatest danger.

Under the treaty Great Britain is permitted to build two additional capital ships, and my prediction is they will not be battleships of the old type but rather capital ships of the Hood type, with speed of more than 30 knots, light side and heavy deck armor, carrying not exceeding four large guns, with large space for aircraft. Speed, aircraft-carrying capacity, with sup-

porting large guns in small numbers will be, in my judgment, what the latest naval thought hereafter will urge in the building of large ships. [Applause.]

[By unanimous consent Mr. OLIVER was granted leave to extend his remarks in the RECORD.]

Mr. BYRNES of South Carolina. Mr. Chairman, I yield eight minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, I can not hope to add anything to the very informing discussion that we have had on the problems of the future, those that are not here, but those we fear may come some day. I want, then, to talk a little about some of the problems that are here.

One of them in particular we have heard a great deal about is agricultural relief, short-time credits for the farmer. We have heard a great deal about them, and we have so much conflict as to what they should be, and so many statesmen who desire to solve the problem, that it looks to me as if we are going to get nothing. We have in another body the Lenroot bill, and I believe the Ladd bill and the Simmons bill and various others, and a conflict as to what one shall be considered. Then we come over here and we have half a dozen bills in the Banking and Currency Committee of the House of Representatives, and the Lenroot bill has been designated here as the Anderson bill, which is the latest, I think—or is it the McSwain bill—and we have been here since the 20th of November. There has not been a meeting of the Committee on Banking and Currency in all that time, except an hour to hear some stock raisers. It is time to seriously consider the question of asking the appointment of a committee to determine where the chairman is and why he does not do something, and I am asking to-day that that committee either be given an opportunity to meet and act or that it do something and find the chairman and ask him to perform.

Mr. MONDELL. Will the gentleman yield?

Mr. STEVENSON. Yes; I will yield to the distinguished gentleman from Wyoming.

Mr. MONDELL. He has been in attendance on the sessions of the House a goodly portion of the time since we convened.

Mr. STEVENSON. I admit he was, but he has not called a meeting of the Banking and Currency Committee.

Mr. MONDELL. If the gentleman will allow me—

Mr. STEVENSON. I have only got eight minutes, and I want to say something.

Mr. MONDELL. I think the chairman of the committee wants you gentlemen of the committee, all the gentlemen of the committee, to formulate their plans somewhat in advance of the meeting.

Mr. STEVENSON. Yes, sir. The chairman of the committee appointed a subcommittee on that subject at the beginning of this Congress, and appointed as the chairman of that subcommittee the gentleman from Buffalo [Mr. MacGREGOR], and he was to have a hearing and take up this matter to formulate. I am saying, why did not they formulate, and why did not they do something?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. STEVENSON. I can not yield now. The whole thing reminds me of this very beautiful parody on the CONGRESSIONAL RECORD which is in the Saturday Evening Post of this week.

Mr. CHINDBLOM. Will the gentleman yield for just one question? Have you a plan of your own?

Mr. STEVENSON. Have I a plan of my own? I am not on the subcommittee. If I have the opportunity, yes; I can give a plan.

Mr. CHINDBLOM. The gentleman is interested in the farmers' relief—

Mr. STEVENSON. Very specially interested in it.

Mr. CHINDBLOM. Give us your plan.

Mr. STEVENSON. I have not the time now. The gentleman would object if I undertook to give it, and he would not vote for it if I did.

Mr. CHINDBLOM. The gentleman is mistaken. The gentleman from Illinois has never yet voted against any legislation that was actually needed by the agricultural interests.

Mr. STEVENSON. I have yielded to the gentleman all that is necessary, and I now desire to read this beautiful parody on the CONGRESSIONAL RECORD, which you will find in this week's Saturday Evening Post:

IF EVERYBODY DID THINGS AS CONGRESS DOES.

An old woman has just been knocked senseless by a speeding automobile. A policeman leans over her. A crowd has gathered around them.

FIRST BYSTANDER. Mr. Policeman, I offer a resolution summoning a doctor for this poor woman.

SECOND BYSTANDER. Will the gentleman yield?

FIRST BYSTANDER. I yield.

SECOND BYSTANDER. I suggest there may be a doctor in the crowd.

FIRST BYSTANDER. I accept the gentleman's suggestion. Mr. Policeman, I will amend the pending resolution to ask if there is a doctor in the crowd.

POLICEMAN. Is there objection?

THIRD BYSTANDER. I object. It would be impossible to find a competent doctor in a street crowd. I suggest the gentleman withdraw his amendment.

FIRST BYSTANDER. I withdraw my amendment, Mr. Policeman.

POLICEMAN. The question is on the resolution. The clerk will call the roll.

FOURTH BYSTANDER. Mr. Policeman, I object. I am a doctor, and I suggest that this woman is in need of immediate medical aid, which I shall be glad to furnish.

THIRD BYSTANDER. I should like to ask the gentleman how much compensation he expects for rendering the medical aid of which he speaks in such a care-free manner. The gentleman looks like one who seldom does anything for nothing.

FOURTH BYSTANDER. That is where the gentleman and I are different. The gentleman is obviously one who seldom does anything, even for something.

THIRD BYSTANDER. I would like to ask what the gentleman means?

FOURTH BYSTANDER. The gentleman may draw his own conclusions.

FIFTH BYSTANDER. Mr. Policeman, I make the point of order.

POLICEMAN. The Chair sustains the point of order. The question is on the resolution.

A VOICE. The old woman's dyin' while you boobs is talkin'.

POLICEMAN. The Chair will have the street cleared if the spectators do not observe silence. The Chair can not tolerate these interruptions from the gallery. The question is on the resolution.

SIXTH BYSTANDER. Mr. Chairman, I move to strike out the last word. When in the course of human events it becomes necessary to invoke medical aid for an old woman who has been struck by an automobile, what will the press and public say if we are unfaithful to our trust? I hold here in my hand a letter from Amos Q. Gilkeyson, which I ask permission to read.

SEVENTH BYSTANDER. Will the gentleman yield?

SIXTH BYSTANDER. I yield.

SEVENTH BYSTANDER. I would like to ask the gentleman if Mr. Gilkeyson is a qualified medical practitioner?

SIXTH BYSTANDER. I am glad to ease the gentleman's mind. Mr. Gilkeyson is a graduate of the American Masseurs' University, and—

EIGHTH BYSTANDER. I object.

POLICEMAN. Objection is heard.

A VOICE. The old woman's dead.

NINTH BYSTANDER. I am just informed, Mr. Chairman, upon authority too reliable to controvert, that the old lady no longer needs medical attention. I suggest that the gentleman withdraw his resolution.

FOURTH BYSTANDER. Will the gentleman give the name of his authority?

I would like to commend the answer to the gentleman from Minnesota [Mr. KNUTSON] and the gentleman from Tennessee [Mr. BYRNES] with reference to the colloquy that occurred here a day or two ago between them:

NINTH BYSTANDER. I am sorry I can not oblige the gentleman, as my authority wishes his name to be kept private, but I can assure the gentleman that he is the very highest authority.

FIRST BYSTANDER. In that case I shall be glad to accept the gentleman's suggestion in part, and move to amend my resolution by substituting the word "coroner" for the word "doctor" in my original resolution.

POLICEMAN. Is there objection? (There is no objection, so the amendment is agreed to.) The question is on the resolution. (There being no objection, the resolution is carried.)

[Applause.]

And that is about the way the agricultural temporary relief of the farmer matter is moving along in this House. [Applause.]

Mr. BYRNES of South Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDDLESTON. Mr. Chairman, I ask not to be interrupted, as I fear that I shall not be able to finish what I desire to say in the time allotted me.

The World War ended four years ago. By resolution of Congress adopted some 18 months ago our war laws were repealed or their operation suspended. It was the general expectation of the public and of Members of Congress that those who had been convicted under the war laws would be released upon the repeal of those laws. However, such course has not been taken. We have yet sixty-odd men in our jails convicted under laws which no longer exist.

It is also a fact that of all the nations of the world the United States is the only nation which yet holds in prison offenders convicted under the war laws. I know of no better name for these persons than "political prisoners," because that is exactly what they are. Their offenses were not against persons but directly against the Government by opposing measures relating to carrying on the war.

I am impelled to discuss this subject because of the feeling that the situation is a disgrace to our country. I feel that it is a situation which demands the attention of Congress. I am disturbed by the thought that we have too long been silent and that perhaps I myself have failed in my duty in not before demanding here upon this floor that these prisoners be released. It is perhaps not upon me more as a Member of

Congress than as a citizen. There is, of course, the consideration that it may injure me politically to speak. Demagogues and reactionaries are quick to hound any advocate of liberal opinion. But that very fact is one of the best reasons why I should take my stand for real Americanism and the American Bill of Rights. I can no longer retain my self-respect if I allow this situation to continue without my protest when in my heart I do so bitterly condemn it. The fact that it may be expensive politically is merely an added reason why any man worthy of a seat in Congress should speak his sentiments.

THE CASE OF RICARDO FLORES MAGON.

The subject was again brought to my attention by the discussion with reference to the case of Ricardo Flores Magon, which occurred in the House on Monday last.

We live in the greatest country in the world. Our public men are the bravest and most enlightened. Our elements which guide public opinion are the most liberal. Our classes of large wealth are the most generous toward economic heretics. All this is demonstrated by the case of this man Magon. In Mexico the Chamber of Deputies is said to be draped in mourning for the death of Magon, its citizen who was associated with Madero in his efforts to overthrow the tyranny of Diaz, while here in the United States House of Representatives Magon's memory is reviled and blackened by insinuations that he was a murderer and an assassin or an advocate of murder and assassination.

I am impelled to discuss the case of Magon because I feel that it is a typical case in the respect that it illustrates the practices of the Department of Justice in dealing with amnesty for all of these political prisoners. Whenever pardon for them is mentioned the department emits a smoke screen and attempts to divert attention from the true issue by reckless statements that the prisoners are "anarchists," "communists," or even murderers. It has tried to excuse itself with contemptible evasion and by blackening the names of these men by making unproven charges, by the use of epithets, and I would almost say making lying statements in regard to them. Once you mention the case of one of these men, back comes the propaganda that he is an "anarchist," an "I. W. W.," a "communist," or some other kind of a political or economic heretic. Never will they deal with the facts of the particular offense for which he was convicted or with the proof as appears from the record of the trial of the case.

OUR LAWS ARE AIMED AT DEEDS, NOT AT BELIEFS.

Let me say at this point that it is no crime under the laws of the United States for a man to be an I. W. W., a communist, an atheist, or to hold to any other belief, no matter how wild and subversive it may be, nor is it a crime for men to belong to an organization, no matter what purpose it may have. Our laws are aimed at men's actions, not at a frame of mind or a belief. Men may be convicted as criminals only for deeds and not for thoughts. It is no more a crime to be a communist than to be a Mormon or an agnostic. It is only when a man is guilty of some overt act or of conspiracy coupled with an overt act that he violates the law.

Never at any time has it been unlawful in this country for a man to express his beliefs and to propagate his ideas, except during the World War. These political prisoners were convicted for words spoken and not for deeds done. They violated the espionage act by expressions against the war or in opposition to conscription or other war measures. They were not guilty of spying, nor of sabotage, nor of actively aiding the enemy, nor of anything other than the expression of opinions which men may sincerely hold. They did not incite to murder nor destruction of property nor injury to human beings, but obstructed the draft or criticized public officials or preached against wars in general or other matter of that kind. Yet we find that the Department of Justice delights to obscure the facts by reckless insinuations and by prejudicing the public against these prisoners with charges that they were communists, anarchists, and so forth.

The sinister effort to prejudice the public against these prisoners by making charges against them which have no connection with the offenses for which they were convicted is inspired by the consciousness of the slender basis for their conviction. In no case were they tried for disloyal or violent deeds. Always it was for use of "words," and in some cases the construction placed upon their words was so strained as to pass into the realm of the ridiculous. Men were convicted of conspiring with each other who were rank strangers, had never met, and had never communicated, and when the proven overt act consummating the conspiracy consisting merely of spoken or written words.

LEGALIZED MOBING.

Necessarily, as in the case of all laws aimed at free speech, the espionage act convicted men for the intent or purpose with which they spoke, and in actuality they were tried before the bar of public opinion as represented by juries. In such cases

jurors, of course, carry into the box the prejudices of the outside world and are left free to vent the feelings of the majority upon the dissenter. When public feeling is intense and practically unanimous, as in time of war, there is a demand that examples be made of any who may have been conspicuous in dissenting. Conviction is demanded whether there be actual guilt or not, and men are convicted upon their reputations and what others may believe about them. In such cases a trial is more or less a farce. It is a sort of legalized mob action. The rich, influential and ably defended, of course go free. The weak, the undefended, and the friendless are convicted, of course. To be an alien radical or labor agitator is to go to jail.

The fact should be frankly and boldly recognized that certain influential groups in this country do not sincerely believe in free speech or other constitutional guaranties. As the beneficiaries of abuses of our system, these groups hold to valuable privileges, monopolies, and the control of great aggregated wealth. They fear the exposure of their practices and the correction of the evils by which they have profited. Dominating to a large extent the channels of public information, twisting and coloring the news which the people receive, their security lies in the suppression of criticism. They identify themselves as the Government, because they are often permitted to control its activities. Then, there are the militarists and imperialists, with their thoughts of unpopular future wars for which conscription will be necessary.

Without any particular regard for the guilt of our political prisoners, these dominating groups would hold them in prison for its effect upon all who might desire to expose their practices, to thwart their aims, or to question their right to dominate. It is out of deference to these groups that the Department of Justice holds these men in prison. The department bows to the will of the masters of the present administration. Of all the vices which officials may have, hypocrisy is the most contemptible—the exercise of discretion for one set of reasons while pretending to do so for other reasons. This charge I lay at the door of the department.

THE REAL RADICALS.

The reactionary and selfish elements to which I have referred have not merely dictated that the political offenders shall remain in prison, but promptly vent their spleen upon all who may advocate their release. They answer all arguments with the sheer brutality of epithets and false propaganda. Anyone who presumes to invoke American traditions of free speech is promptly crucified by their parasite press and denounced as a "Red" or a "radical" or some other kind of heretic.

The truth is that these reactionaries are themselves the real radicals; they are the real revolutionists. In their hearts they would like to repeal the Bill of Rights except in so far as it may give protection to their property and their interests.

Sometimes they vary from epithets to ridicule and condemn the advocates of amnesty as "maudlin sentimentalists." Why "maudlin," I do not know, and since when has the sentiment of love for American institutions and ideals been unworthy?

On last Monday, December 11, the gentleman from California [Mr. LINEBERGER] discussed in the House the Magon case and made certain statements which I questioned. He had obtained leave to extend his remarks and I challenged him to obtain and extend in the RECORD as a part of his remarks the indictment against Magon and the article which it was stated he had printed and which constituted the basis for his conviction. The gentleman has caused his remarks to be printed, but has failed to print any of the documents called for. He has failed to meet the challenge and, I presume, does not intend to do so.

Mr. LINEBERGER. I do propose to do that, and will do so in the next few days. The gentleman's challenge will be fully met by the production and insertion in the RECORD of the documents which he asked for in his speech of December 11.

Mr. HUDDLESTON. I am going to save the gentleman a part of that trouble by reading now the article the publishing of which constituted Magon's offense.

I hold in my hand the translation which was used by the Department of Justice as the basis of its prosecution of Magon. This man was convicted of violating the espionage act and section 211 of the Criminal Code by publishing this article in a little Spanish newspaper in Los Angeles. I read:

MAGON'S MANIFESTO.

THE ASSEMBLY OF ORGANIZATION OF THE MEXICAN LIBERAL PARTY.

To the Members of the Party, the Anarchists of the Whole World, and the Workingmen in General.

COMPANIONS: The clock of history will soon point with its hands inexorable the instant producing death to this society, already agonizing.

The death of the old society is close at hand; it will not delay much longer, and only those will deny the fact whom its continuation interests; those that profit by the injustice in which it is based; those that see with horror the approach of the revolution, for they know that on

the following day they will have to work side by side with their former slaves.

Everything indicates, with force of evidence, that the death of the bourgeoisie society will come unexpectedly. The citizen with grim gaze looks at the policeman whom only yesterday he considered his protector and support; the assiduous reader of the bourgeoisie press shrugs the shoulders and drops with contempt the prostituted sheet in which appear the declarations of the chiefs of state; the workingman goes on strike, not taking into account that by his action he injures the country's interest, conscious now that the country is not his property but is the property of the rich.

In the street are seen faces which clearly show the interior torment of discontent; and there are arms that appear agitated to construct barricades; murmurs in the saloons, in the theaters, in the street cars, in each home, especially in our homes, in the homes of those below, where is mourned the departure of a son called to the war, or hearts oppressed and eyes moistened when thinking that to-morrow, perhaps to-day even, the boy who is the joy of the hut, the youngster who with his frankness and gentility wraps in splendor the gloomy existence of the parents in some sense, will be but by force torn from the bosom of the family to face, gun in hand, another youngster who like himself was the enchantment of his home, and whom he does not hate and can not hate, for he even does not know him.

The flames of discontent revived by the blow of tyranny each time more enraged and cruel in every country; and here and there, everywhere, and in all parts the fists contract, the minds exalt, the hearts beat violently; and where they do not murmur, they shout, all sighing for the moment in which the calloused hands during hundred centuries of labor they must drop the sacred tools and grab the rifle which nervously awaits the caress of the hero.

Companions, the moment is solemn. It is the moment preceding the greatest political and social catastrophe the history registers, the insurrection of all people against existing conditions.

It will be surely a blind impulse of the masses which suffer; it will be, without a doubt, the disorderly explosion of the fury restrained hardly by the revolver of the bailiff and the gallows of the hangman; it will be the overflow of all the indignation and all the sorrows, and will produce the chaos, the chaos favorable to all who fish in turbid waters—chaos from which may sprout new oppressions and new tyrannies; for in such cases regularly the charlatan is the leader.

It falls to our lot, the intellectual, to prepare the popular mentality until the moment arrives, while not preparing the insurrection, since insurrection is born of tyranny.

Prepare the people not only to wait with serenity the grand events which we see glimmer but to enable them to see and not let themselves be dragged along by those who want to induce them now over a flowery road toward identic slavery and a similar tyranny as today we suffer.

To gain that, the unconscious rebelliousness may not forge with its own hands a new chain that anew will enslave the people, it is precise that all of us, all that do not believe in government, all that are convinced that government, whatever its form may be and whoever may be the head, it is tyranny, because it is not an institution created for the protection of the weak but to support the strong, we place ourselves at the height of circumstances and without fear propagate our holy anarchist ideal, the only just, the only human, the only true.

To not do it is to betray knowingly the vague aspirations of the populace to a liberty without limits, unless it be the natural limits—that is, a liberty which does not endanger the conservation of the specie.

To not do it is giving free hand to all those who desire to benefit merely their own personal ends through the sacrifice of the humble.

To not do it is to affirm what our antagonists assure—that the time is still far away when our ideals will be adopted.

Activity, activity, and more activity is the demand of the moment.

Let every man and every woman who loves the anarchist ideal propagate with tenacity, with inflexibility, without heeding sneer or measuring dangers, and without taking into account the consequences.

Ready for action, and the future will be for our ideal—land and liberty.

Given in Los Angeles, State of California, United States of America, the 6th day of March, 1918.

RICARDO FLORES MAGON.
LIBRADO RIVERA.

The article was perhaps a foolish article. It may have been a wicked article. The man was tried. He was convicted of violating the espionage act. How anybody could imagine that that article could have had any effect whatsoever toward obstructing our war operations is beyond my comprehension. The gentleman from California [Mr. LINEBERGER], however, said that—

During the dark days of the war, when all patriotic men, women, and children under American skies were giving their all in order that the country might win the war, people such as Ricardo Flores Magon were seeking to obstruct our endeavors in winning that war.

He also said:

Ricardo Flores Magon during that time was publishing this paper of his, *Regeneracion*, in Los Angeles, obstructing the draft, trying to get those Mexicans in this country who were of American citizenship to refuse to serve under the colors, and inciting them to return to Mexico and enlist themselves under the banner of Mexico with Germany in order to recover the so-called lost Provinces of Mexico, to wit, California, Texas, New Mexico, and Arizona.

I again challenge the gentleman to put into the RECORD something printed by this man Magon that bears out his statements. I call upon him to put into the RECORD something from the court records of the case in which Magon was tried—not from his imagination—which will justify his statements.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I yield to the gentleman from Alabama three additional minutes that I have.

The CHAIRMAN. The gentleman from Alabama [Mr. HUDDLESTON] is recognized for three additional minutes.

Mr. HUDDLESTON. Mr. Chairman, I want to read what Magon said later of his own article:

DID NOT REFER TO AMERICA.

On the 21st of March, 1918, I was arrested with Rivera for having published in *Regeneracion* the manifesto for which I was given 20 years' imprisonment, and Rivera 15. The wording and meaning of the manifesto were construed as seditious by the prosecution; that is, as aiming at the insubordination and revolt of the military and naval forces of the United States. Any sensible person who happened to read the manifesto would not draw such a conclusion, for in reality the manifesto is only an exposition of facts and a fair warning to all mankind of the evils those facts might produce.

In one of its paragraphs it is clearly stated that no one can make a revolution on account of it being a social phenomenon. The manifesto was aimed at the prevention of the evils a revolution carries itself, the revolution being regarded from a scientific standpoint as a world-wide inevitable result of the unsettled conditions of the world.

The manifesto does not refer in the least to the policies of the American Government in the last war, nor gives aid and comfort to its enemies. It is neither pro-German nor pro-Allied, and does not single out the United States in its brief review of the world conditions. It was enough, however, to secure for me a life term behind prison bars. The persecution, this time, was exceedingly severe. My poor wife, Maria, was incarcerated during five months, and is now free on bond awaiting trial for having notified my friends of my arrest, that they should assist me in my legal defense.

I have examined Magon's article with some care. According to usual standards it is somewhat vague and bombastic, but there is little in it that can be considered as inciting to disloyalty or revolution. Perhaps its most objectionable passages are those which speak of the workingman being conscious "that the country is not his property, but is the property of the rich," and the criticism of government in general: "It is tyranny, because it is not an institution created for the protection of the weak, but to support the strong." Also, I note the condemnation of war by reference to the young man "torn from the bosom of his family to face, gun in hand, another youngster who, like himself, was the enchantment of his home, and who he does not hate and can not hate for he even does not know him." There is not a word of criticism of the United States, nor of our Government, nor of any official action in particular. Yet the publication of this article in a little-read Spanish newspaper was considered to merit 21 years in the penitentiary, of which Magon had served 5 at the time of his recent death.

In discussing Magon's case the gentleman from California [Mr. LINEBERGER] read a statement which obviously emanated from the Department of Justice. Of course, I accord to him sincerity and belief in the statement. The thing I chiefly complain of is that the statement was grossly misleading to all who did not know the facts.

Mr. LINEBERGER. Will the gentleman please state to the House in what particulars my statement was misleading.

Mr. HUDDLESTON. I am going to do that.

The statement was made that Magon was convicted under section 211 of the Criminal Code and sentenced to 21 years, and that he was also convicted under the espionage act and sentenced to 20 years. The fact is that Magon was sentenced for only 1 year under section 211 and to 20 years for violating the espionage act. It is also a fact that his sole offense was publishing the article which I read. He was not convicted for two separate offenses, as the statement implied. I am informed that the statement that he had previously been twice convicted under Federal laws for "anarchistic activities" is erroneous, and that his prior conviction was for a breach of our neutrality laws by aiding from the United States in the Mexican revolution against Diaz.

What I most resent is the misleading references to Magon's belief in anarchism and the implication that he was an advocate of murder, bombing, and forcible resistance of Government. From the information I get, he never believed in or advocated any such thing. He was a believer in the doctrines of Proudhon and of Tolstoy—in a world ruled by good will, cooperation, and brotherhood, instead of policemen's clubs and bayonets—what is called a "philosophical anarchist." The reference to Magon as an anarchist is a mere smoke screen. He was not convicted of being an anarchist, for there is no law against it, and the reference is merely to mislead and to prejudice his case.

The New York World of November 25, 1922, carries an editorial upon the Magon case which affords food for thought:

MAGON AND MORSE.

Ricardo Flores Magon died last Tuesday in Leavenworth Penitentiary, having served nearly 5 years of a 21-year sentence imposed under the espionage act. A Mexican disciple of Tolstoy, Magon had spent a number of years in prison as a result of revolutionary activities against the Diaz régime; then, entering the United States in quest of greater freedom to speak and write in the cause of Mexican enfranchisement, he was caught in 1918 dragnet and received a maximum penalty for alleged interference with the conduct of the war. In reality, the article for which he was convicted had no bearing on the war with Germany except what was read into it by prosecution. That, of course,

was not unusual. In the heyday of witch burners and unofficial spies, Magon was only one of the victims.

The point of the case lies in the fact that Attorney General Daugherty had been informed by the prison physician that Magon was going blind, and had been repeatedly warned by others that he would die unless pardoned. Mr. Daugherty remained unshaken. He wrote that he had taken up the matter with the President and that "both of us were agreed that no action should be taken directed to the granting of Executive clemency." It is not often that a reason is vouchsafed for decisions of this nature, but Mr. Daugherty did give a reason as follows: "He regards his prosecution by the Government as a persecution and makes it appear that he is a martyr. He in no manner evinces any evidence of repentance but on the contrary rather prides himself on his defiance of the law."

By a great effort, one remembers, after this high moral sentiment, that it was Harry Daugherty who procured the pardon for Charles W. Morse on the ground that Mr. Morse was dying. That was many years ago, and Mr. Morse, though much older than Magon, is not yet dead. Indeed, Mr. Daugherty is trying at this moment to send him to jail on another charge. Undoubtedly, Mr. Morse was repentant. Or is the moral simply that it is better to break the banking laws whenever there is a profit in doing so than to fool with free speech in this land of the free?

I now quote from a recent editorial from the Baltimore Sun, which is full of interest:

ANOTHER POLITICAL PRISONER FREE.

The name of Ricardo Flores Magon has been removed from the long roll of political prisoners still in Leavenworth. No belated Executive clemency gives him this freedom. Death has intervened where Attorney General Daugherty was adamant.

Magon was not an American. He was not a subject of any nation participating in the late war. The articles in the little paper which he published in Los Angeles were in the Spanish tongue and as little likely to "discourage recruiting" as a Dutch edition of the New Testament. But the espionage act was broad enough to catch him, and now, after serving 5 years of a 21-year sentence, Magon is dead. After all he was only a Mexican radical, and what does it matter that the Mexican Chamber of Deputies is said to be draping its rostrum black in honor of him?

To the Attorney General the President of this country can give great powers. Powers of life and death, power to stamp out the soul by months and years of jail, power to procure a pardon for men like Charles W. Morse, power to deny a pardon to men like Magon. But one power only God can give to men in authority, and that is the power of understanding.

Magon was not released, it seems, because he would not say he was "repentant." And in a letter of which the following passage is the core Mr. Daugherty found evidence that Magon "prides himself on his defiance of law":

"I do not complain against my fate. I am receiving what I have always gotten in my 30 years of struggling for justice—persecution. I never expected to succeed in my endeavor, but I felt it to be my duty to persevere, conscious that sooner or later humanity will adopt a way of social intercourse with love as a basis."

Magon was a follower of Tolstoy. Imprisoned in Mexico under the autocracy of Diaz, he sought America as a haven where he might work for the liberation of the peons of his country. Caught in the dragnet of war hysteria, he was given what amounted to a life sentence in Leavenworth.

The gentleman from California [Mr. LINEBERGER] included in his extension of remarks in the RECORD of December 11 a peculiarly vicious statement from American Defense Society. I have read the statement with amazement. It would be difficult, indeed, to include in a statement of the same length more downright misrepresentations. Yet by including it the gentleman from California appears to give it his approval. I will not deal with the statement further than by quoting the statement of Dr. John A. Ryan, of Washington, who, because of his standing as a scholar in the field of morals and economics and because of his special knowledge of the cases discussed, is an excellent authority. Doctor Ryan says:

The bulletin given to the press by the American Defense Society on December 11 is grossly misleading. It asserts that the political prisoners for whom amnesty is sought are detained in jail not merely for violating free speech but also for various acts of physical violence. It asserts, in fact, that they are "murderers and destructionists."

The American Defense Society makes a disingenuous effort to support these assertions by quoting the substance of the four charges upon which these men were tried. The first two charges involve crimes of violence. The third and fourth involve only written and spoken opposition to the war.

The dishonest tactics of the American Defense Society consist of failing to state that the convictions under the first two charges were set aside by the United States Circuit Court of Appeals in the seventh and eighth judicial districts. These reversals affect the great majority of the political prisoners. Had the cases of the rest of them been appealed in the same way the higher court would undoubtedly have reversed the finding of the lower court in those cases also.

Therefore counts 1 and 2, which charge violence, are entirely irrelevant in any discussion of the continued imprisonment of these men.

The sum of the matter is that all the political prisoners are now serving sentences under count 4, which involved merely oral or written or printed expressions. None of them is legally detained in prison for any offense of destruction or violence.

How horrible were their oral or written or printed expressions? Well, they could all be reduced to assertions that the war was a capitalistic war; that the working classes were fools to engage in it; and that the way to prevent war is through a general strike. For these utterances the majority of the political prisoners were sentenced to terms of from 10 to 20 years.

Did any of these men really commit the acts of poisoning and burning and other forms of destruction which are charged against them in the statement of the American Defense Society? I do not know. What I do know is that they were not legally convicted of these crimes or their conviction in the lower courts was reversed by the upper courts.

The mention of these crimes, therefore, in any statement against the political prisoners is irrelevant and unfair. It is, in effect, an attempt to deprive them of the "due process of law" which the Constitution guarantees to all persons in the United States.

The contention of the American Defense Society is that these prisoners should be kept in jail not because of offenses of which they have been convicted but because of other offenses of which they have not been convicted. This is an outright denial of "due process of law." It is a greater injury to our institutions than all the wild utterances of all the I. W. W.'s, whether in or out of jail.

It comes from men who think they are superpatriots, but it is fundamentally unpatriotic, because it is contrary to one of the fundamental principles of the Constitution. It is an appeal to legal violence, or even to a kind of legal lynching. The political prisoners may be guilty of a hundred detestable acts, but as long as they have not been convicted of them they should not be kept in prison on account of them.

Mr. KELLEY of Michigan. I yield the remainder of my time to the gentleman from California [Mr. LINEBERGER].

The CHAIRMAN. The gentleman from California [Mr. LINEBERGER] is recognized for four minutes.

Mr. LINEBERGER. Gentlemen of the committee, you have just heard the very impassioned appeal, the very fervent defense made by the gentleman from Alabama [Mr. HUDDLESTON], for whom personally I have nothing but regard and esteem, but with whom I so greatly differ in the matter which he has discussed. But in the strained oratorical effort which the gentleman has made before the House he in his effort to strengthen his weak argument has again resorted to certain challenges, and, as I just said, he seems to be particularly strong on challenges to offset, I suppose, the weakness of his arguments, so in the brief time now allotted me I want to reiterate to the gentleman that I propose, as I have proposed over and over again, to answer not only the challenges made by him here today but to accept the challenges—oratorical, of course—which he made in his speech of like character on December 11. The House, I hope, if not the gentleman from Alabama, will be satisfied when I am done. I am having prepared from the official records of the Department of Justice abstracts of the necessary documents which in due season I shall place in the RECORD. I shall have to assume, of course, and do assume, that those records are correct, because they were the records upon which this prosecution was based and upon which the convictions alluded to were secured. I am going to have those documents inserted in the CONGRESSIONAL RECORD for the information of the gentleman from Alabama as well as for the benefit of the people of the country and the entire membership of Congress. Of course, I am not surprised at what has taken place on the floor of the House in the last few days in this connection and in which the gentleman from Alabama has taken such an important part. It is all a part of a gigantic program, a drive for the liberation of these men who were convicted of espionage, of treachery to our laws and institutions when that Great World War was in progress. I hope and believe that the Members of this body involved in the net, and I, of course, include the gentleman from Alabama, are the innocent victims of maudlin sentimentalism, which has oftentimes before in the history of man enveighed heavily upon those more or less amenable to this most insidious type of appeal, because it aims, as it has done in this case, to the heart and not the head. I believe in coordinating mind and heart and in leavening human sympathy with patriotic good judgment. This seems to me to be lacking in the psychology of those who have been so grossly misled in this matter.

The White House grounds were being picketed only a few days ago and perhaps are to-day. Matter of the kind I hold in my hand and which I desire to have inserted in the RECORD is being broadcasted to the membership of this House, requesting the release of so-called political prisoners en bloc for Christmas. Attached thereto is a card in which they plead, in the spirit of Christmas, which the soul of them among the prisoners who would destroy American institutions do not know, for the unconditional release of the 62 political prisoners now serving 5 to 20 years in the Federal penitentiary. Certain Members of the so-called "progressive" group, which has recently been organized—and God save the name "progressive" if it alludes to anything concerning that Progressivism which so many patriotic Americans were proud to own in 1912 and which was championed by that great American, Theodore Roosevelt, who in silent vigil still watches over the America he loved so well from a sacred mound on the shores of Oyster Bay—have made an attempt through a certain kind of the press in this country and through meetings, in which various of the so-called purported membership of that organization have taken part, to secure the release of these war criminals. We Members of the House, and in this I believe I include 98 per cent, who feel that the law of the land, irrespective of who it affects, should be carried out, and that justice, inexorable though it be, should be satisfied in

this matter, propose to fight this wholesale amnesty movement to the finish, I will say to the gentleman from Alabama, and we throw down the gauntlet to those who so deeply sympathize with those who would upset the Government and institutions for which our comrades fought and bled and died on Flanders Field in 1917 and in 1918. We will keep the faith, buddies, never fear. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LINEBERGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks by printing in the RECORD the copy of a document called "Prisoners of Hope," and another document headed "Release the Political Prisoners for Christmas."

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

The documents referred to are as follows:

PRISONERS OF HOPE—MEN WHO BELIEVE IN THE CONSTITUTION OF THE UNITED STATES AS IT IS WRITTEN.

[By Ellen Winsor.]

A nation denied free speech is a nation without a soul. Its charter of freedom is but a scrap of paper; its institutions but the high bulwarks of tyranny; its elected officials no better than medieval monarchs. Such is America to-day. We have permitted one tyrant to throw into prison a group of idealists whose courage and faith should be the watchwords of a people. We permit another tyrant to hold them behind iron bars whilst a subtle poison of unrest and discontent eats its way into the heart of the Nation. Who are these prisoners? For what were they sentenced? Why are they not released?

WHO ARE THESE PRISONERS?

College graduates, engineers, poets, a cartoonist, journalists, skilled workers, agricultural and unskilled migratory workers—feared, hated, persecuted, despised—America's political prisoners.

And what do we mean by a political prisoner? One convicted for an offense of which the sole evidence is an expression of opinion as distinct from the commission of any overt act.

Fifty-eight of the political prisoners are members of the Industrial Workers of the World; five have no connection whatever with the organization.

Was there 1 among these 63 men who was an agent of the enemy? No. Did anyone of them bear arms against the United States? No. Did even one of them commit any overt act whatsoever against the Government? No.

In fact, against a large number of the prisoners there was not brought one scintilla of evidence of any kind to prove their guilt. Think of it! The shame of it! Judge and jury trifling with men's lives with no more respect for justice than a cat has for a tortured bird.

Realize, ye stiff upholders of the Constitution, that the only offense for which these prisoners are now serving time is alleged opposition to the war, written or spoken. You do not believe it? Refer, then, to the decision of the United States Circuit Court of Appeals in the Chicago and Wichita cases, and what do you find? The fact that these prisoners have been completely exonerated of any charge of violent acts against persons or property, and are therefore only guilty of that most heinous of crimes in America—free speech.

Ah, you say, I admit that it is true that the men in the Chicago and Wichita groups are guilty of only indulging in their constitutional rights of free speech, but what is the status of the prisoners convicted in the Sacramento trial? In reply, be it known, O reader, that the Sacramento men, realizing from long and bitter experience that there is little or no justice in American courts for the working class, wisely decided to put no money in lawyers' fees or in the legal claspnet connected with court procedure. They sat during their trial in noble silence, while their prosecutors fretted and fumed over all the barren verbiage in their legal vocabulary. On a technicality, therefore, owing to this silent defense, the superior courts can not review their case. Lawyers who have examined the one-side record of this Sacramento trial bear witness to the fact that it differs in no respect from the Chicago and Wichita cases. For a whim of the law these men may rot and wither for 20 years in jail for all the Department of Justice cares.

Such is America to-day.

Fearful, hated, persecuted, despised—why? Because it is a crime for a workman to attempt to better his condition—a blacker crime than putting into practice his belief in the Constitution. Read, mark, and learn, O ignorant Americans, what ye may do in these United States to keep out of jail and what deeds will land you in a steel cell, 4 by 9, for 5, 10, or 20 years:

RECIPES FOR KEEPING OUT OR GETTING INTO JAIL.

Be a shipbuilder, and during a war rob the Government. Profit in food while your country is at war. For this you may be fined. Remain calm. The Government will pay your fine later. Conspire to defraud the Government on war-time contracts.

Attempt to better your living conditions or to raise your standards of life in any way.

Tell your employer the food is rotten or that the bunk house in the lumber camp is lousy and sour.

Demand a living wage from your boss.

Furthermore, if you have a choice in the matter, remember it is safer in this sweet land of liberty to be a bomb plotter than a home builder or a believer in free speech. The President pardons men for the following deeds:

REASONS FOR PRESIDENTIAL PARDONS.

1. Conspiring to set on foot a military enterprise directed against a foreign country. (Jacobsen, pardoned for this, December 25, 1921.)

2. Providing doctored eyeglasses to registrants so as to get them off under the draft. (Kennedy, pardoned for this, December 25, 1921.)

3. Leaving the country unlawfully during a war in order to sell plans for a new gun to the German consul in Mexico. (Freese, pardoned for this, December 25, 1921.)

4. Attempting to blow up munitions ships. (Capt. Robert Fay, pardoned for this, August 31, 1922.)

And other similar cases too numerous to mention.

But try to shorten your work hours, to raise your wages, to secure decent living conditions, or to express an honest opinion, and, verily, your reward will be an American dungeon, with several preliminary coats of tar and feathers and a beating up given in the best American mob style.

Such is America to-day.

Let us examine further into the methods of how America is leading the world into the paths of freedom and democracy. Cast your eye over this table. It is called:

AN AMERICAN PILGRIM'S PROGRESS—1799-1917.

January 30, 1799: The act against criminal correspondence with a foreign government. Maximum penalty, 3 years.

1861: Section 6 of the Penal Code: Conspiracy to overthrow by force the Government of the United States, or to levy war against it, or to oppose by force its authority, or by force prevent, hinder, or delay the execution of any law of the United States. Maximum penalty, 6 years.

August 6, 1861: The act against recruiting soldiers or sailors to serve against the United States. Maximum penalty, 5 years.

August 6, 1861: The act against enlistment to serve against the United States. Maximum penalty, 3 years.

ESPIONAGE ACT, 1917.—MAXIMUM PENALTY, 20 YEARS.

He who placed the Statue of Liberty with her back turned to her country and her eyes directed across the seas to England was a prophet in his generation. In England, the maximum sentence for political prisoners during the war was 6 months. Here, 20 years! Alas, America!

Attorney General Harry M. Daugherty, the watch dog of Wall Street, and all his understudies and underlings, the whole pack of legal hounds, will tell you solemnly on their Bible oath, if need be, that there are no political prisoners in America. That there never have been political prisoners in America. However, there they are—63 of 'em—but the Government does not recognize them! Ignorance is bliss for the watch dog of Wall Street.

But, Mr. Daugherty, what about President Lincoln? Or do you not recognize him either? This is what that wise, magnanimous, noble man, not a petty, peanut politician, had to say:

"The President—eager to favor a return to the normal course of the administration—directs that all political prisoners or State prisoners now held in military custody be released"—(from Executive Order No. 1, relating to political prisoners, February 14, 1862).

Rather a sound example for the recognition of political prisoners from the pen of the only great Republican President! Lincoln's proclamation is of greater importance in that it is a precedent for general amnesty. Does Mr. Harding need further historical evidence that one can declare a general amnesty and still remain a 100 per cent American President? If so, let him study this:

"Therefore, I, Abraham Lincoln, President of the United States, do proclaim, declare, and make known to all persons who have directly or by implication, participated in the existing rebellion * * * that a full pardon is hereby granted to them * * *"

His successor in office said: "To the end, therefore, that the authority of the Government of the United States may be restored and that peace, order, and freedom may be established, I, Andrew Johnson, President of the United States, do proclaim and declare that I hereby grant to all persons who have directly or indirectly, participated in the existing rebellion * * * amnesty and pardon. * * *"

A modern statesman of international reputation, Hon. WILLIAM E. BORAH, said at Chicago, October 1, 1922: "Of recent years a vicious doctrine, treasonable to the American Constitution, has obtained a foothold in this country. This doctrine says that during a war the Constitution is suspended. The rights guaranteed to all citizens under the Constitution were provided for just such emergencies, when public opinion is inflamed and it is difficult to get justice through ordinary channels. * * * It should be remembered that this Government and the Constitution by which it lives were founded on revolution and free speech. * * * Every day that our political prisoners remain in prison we are denying the principle on which this Republic is founded—the right of free speech, free press, and free assemblage."

Oh, for a President who would dare to do the right thing in spite of the watch dog of Wall Street! That he would say: "I so cherish freedom, that even though it be against the wishes of my financial masters, I do hereby declare a general amnesty for political prisoners." Why can he not do this thing? Why does he not do it? Would it not be better to defy the whole world than to sit with a blackened soul in a whitened sepulchre? It will be a glorious day for America, Mr. President, when you throw down your false gods, and grant an unconditional release for all political prisoners. (Reprinted from the Voice of the People.)

Joint Amnesty Committee, 233 Maryland Building, Washington, D. C.; Gilson Gardner, chairman; Basil M. Manly, treasurer; Mary Gertrude Fendall, executive secretary; Helen Todd, field secretary; Roger N. Baldwin, Lucy G. Branham, Edmund C. Evans, Elisabeth Gilman, Mrs. Paul Hanna, Mrs. Ida Jaffe, William H. Johnston, Mrs. Lillian Kisliuk, Mrs. Robert M. La Follette, Jackson H. Ralston, E. J. Reeker, Rev. John A. Ryan, Mrs. Charles Edward Russell, Harry Slattery, Frank P. Walsh, Ellen Winsor.

RELEASE THE POLITICAL PRISONERS FOR CHRISTMAS—ARE 110,000,000 AMERICANS AFRAID OF THE IDEAS OF 62 MEN?—DO YOU KNOW?

1. Sixty-two war-time prisoners are still held in prison in the United States.
2. These men are serving sentences of 5 to 20 years.
3. These men are in prison solely for expression of opinion in writing or speech.
4. The espionage act under which they were convicted was repealed over a year and a half ago.
5. Every other country that took part in the war has released its war-time prisoners years ago.
6. All the German spies and agents who tried to wreck our industries and shipping have long since been freed.

DO YOU KNOW?

Distinguished lawyers said that most of these 62 men should never have been convicted and that all of them should be released.

These lawyers include:

Hon. Charles Nagel, Secretary of Commerce and Labor under President Taft.

Hon. Francis Fisher Kane, ex-Federal district attorney, of Philadelphia.

Zarachiah Chaffee, Harvard University Law School.

Felix Frankfurter, Harvard University Law School.

Maj. Alexander Sidney Lanier, United States Army, retired.

DO YOU KNOW?

The following organizations are among those which have urged the immediate release of all these political prisoners:

Federal Council of Churches.

American Federation of Labor.

World War Veterans.

Fellowship of Reconciliation.

League for Democratic Control.

Socialist Party of America.

Women's International League for Peace and Freedom.

Workmen's Circle.

Women's Trade Union League.

American Women's Independence League.

Methodist Federation for Social Service.

Farmers' National Council.

Amalgamated Clothing Workers of America.

Western Unitarian Conference.

Society of Friends (Quakers).

National Popular Government League.

Central Conference of American Rabbis.

"Every day that our political prisoners remain in prison we are denying the principle on which this Republic is founded—the right of free speech, free press, and free assemblage."—(Hon. WILLIAM E. BORAH, at Chicago, October 1, 1922.)

WAKE UP, AMERICANS.

Help us free these 62 men.

Help us set them free.

Help before it is too late.

THE WAR IS OVER.

They suffer to-day in vile jails for their belief in free speech.

They are American workmen suffering for their activities in the labor movement.

One man died recently. One man has gone insane. Two are dying of tuberculosis. Others have heart disease or are losing their eyesight, etc.

PRESIDENT HARDING WILL RELEASE THEM IF YOU URGE IT.

For confirmation of these facts and further information, apply to Joint Amnesty Committee, 233 Maryland Building, Washington, D. C.

Tear off this card, sign your name and address, put on a 1-cent stamp, mail it to-day; or, better still, write a letter to President Harding.

PEACE ON EARTH, GOOD WILL TO MEN.

President WARREN G. HARDING,

The White House, Washington, D. C.

Sir: I plead in the spirit of Christmas for the immediate unconditional release of the 62 political prisoners now serving 5 and 20 years in Federal penitentiaries.

Name _____,

Address _____.

Mr. KELLEY of Michigan. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from South Carolina still has two minutes if he desires to use it.

Mr. BYRNES of South Carolina. I yield to the gentleman from South Carolina [Mr. LOGAN].

Mr. LOGAN. Mr. Chairman, I ask unanimous consent that I be allowed to revise and extend my remarks in the Record on the pending bill.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to revise and extend his remarks on the pending bill. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

OFFICE OF THE SECRETARY.

SALARIES, NAVY DEPARTMENT.

Secretary of the Navy, \$12,000; Assistant Secretary, \$5,000; and for chief clerk and such other employees as the Secretary of the Navy may deem necessary, \$108,000; in all, \$125,000: *Provided*, That, other than the Secretary and the Assistant Secretary of the Navy, no person shall be employed hereunder at a rate of compensation exceeding \$1,800 per annum, except the following: One \$4,000, 2 at \$3,000 each, 1 \$2,500, 6 at \$2,400 each, 2 at \$2,250 each, and 3 at \$2,000 each.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 4, strike out the words "as the Secretary of the Navy may deem necessary."

Mr. BLANTON. Mr. Chairman, this is pro forma in order that I may comply with a promise I made to the gentleman from New York [Mr. HICKS] to cite him to a specific instance where the mother of a minor boy was scared into withdrawing her application for his discharge from the Navy.

Messrs. Walters & Baker, a reputable firm of lawyers in the city of San Saba, Tex., called my attention to the fact that a young boy named Eddy had been induced to enlist in the Navy against the knowledge and consent of his widowed mother, and said that she was in destitute circumstances and needed him, and I later had the affidavits filed asking for his release. The

Navy Department, in promising to have the boy discharged, says this:

When young Eddy enlisted, December 1, 1920, he made oath that he was born August 12, 1901, from which it would appear that his enlistment was taken in good faith, and considered legal and binding in all respects under the Revised Statutes, which make the enlistment of a boy 18 years of age, or over, without the consent of his parents or legal guardian, a valid contract.

When his mother read that statement coming from the Navy Department, here is her reply:

WILLOW CITY, TEX., September 5, 1922.

DEAR MR. BLANTON: I received your letter last night concerning the discharge of my boy, Terrel Robert Eddy. I have decided to let the matter drop, as I don't know what the boy swore, and I am afraid I might get him into trouble. He has one more year to serve in the Navy, and I think it best to leave him alone. However, I thank you very much for your trouble.

Yours very truly,

MRS. SELMA EDDY.

You see how it affected this widow. When they tell her that her boy swore he was of a certain age, the anxious widowed mother suspects that the Government of the United States is going to put him into the penitentiary if she insists on his discharge, and she lets the matter drop. That is what happened in the case of this widowed, destitute mother, who needs the services of a minor son. I could call the attention of the gentleman to several instances like this.

Mr. ELLIOTT. Will the gentleman yield?

Mr. BLANTON. In just a minute, please, and then I will. I want to give the gentleman from New York [Mr. HICKS] another case of a young man named Robert Lee Bradshaw, from my home city, who was induced by a slick-tongued recruiting officer to enlist when he was not yet 16 years of age. The recruiting officer told him about traveling all over the world, and he enlisted without the knowledge or consent of his parents. When they asked that he be discharged I filed the proper affidavits with the Bureau of Navigation showing that he was not yet 16 years of age and asking that he be discharged because he was induced to enlist without the knowledge or consent of his parents. Promising to consider the case, on November 28, 1922, the Bureau of Navigation wrote the same kind of a letter, saying:

When young Bradshaw enlisted September 1, 1922, he made oath that he was born September 8, 1903, from which it would appear that his enlistment was taken in good faith and considered legal and binding in all respects under the Revised Statutes, which make the enlistment of a boy 18 years of age or over without the consent of his parents or legal guardian a valid contract.

That intimates to the parents that a prosecution might occur and that dishonorable discharge may follow if they insist upon his discharge. Why not discharge this 15-year old boy without all this implied threat? But let me call your attention to this other case to show that the Navy Department, when the Eddy boy enlisted, knew that he was under the lawful age for enlistment, because Messrs. Walters & Baker, this reputable firm of lawyers, of San Saba, Tex., say:

It seems that the department knew that he was under age from the fact that his mother, who is and was then a poor widow, received a message asking that she give her permission to him to join the Navy, and she immediately answered this message with a telegram stating in effect that she would not consent to same, and that her boy was but 17 years of age. She is in straitened circumstances and has five children, this son being her eldest and her main support.

Now I yield to the gentleman from Indiana.

Mr. ELLIOTT. I should like to ask you if you followed up these cases after you got these communications?

Mr. BLANTON. Of course I did not follow it up when the intimidated woman said she wanted to let the matter drop. I did not know but what there would be a dishonorable discharge. I did not want to force the boy, the son of a widowed mother, to take a dishonorable discharge from the Navy.

Mr. ELLIOTT. I just want to call the attention of the gentleman to one fact, and that is that I have had several cases of this kind, and when I went after them I always got them released.

Mr. BLANTON. And I have gotten several released. The point I am trying to make is this, that this Congress ought to give the Secretary of the Navy and the Bureau of Navigation to understand that when we produce evidence showing that a boy is only 15, 16, or 17 years of age and has been induced to join the Navy without the knowledge and consent of his parents they should discharge him and send him home without all this "monkey business."

Mr. OLIVER. I would like to ask the gentleman from Texas if he has discussed this matter with Admiral Washington, of the Bureau of Navigation?

Mr. BLANTON. I have; and he is a splendid man, and he has sent lots of these boys home. When I can get a case personally to Admiral Washington he discharges the boys. But he is sometimes away on an extended trip. You can not

always find him. You understand that while this letter was signed by him he likely never saw it personally.

Mr. OLIVER. I was going to bring that out. The gentleman says this letter was written by some clerk. I will say that Admiral Washington has never failed to discharge them promptly and send them home when the proper affidavits have been made.

Mr. BLANTON. The gentleman is correct. When I have been able to find Admiral Washington personally he sees that they are sent home; but I am insisting that the Navy Department should not write these letters containing the implied threat of a dishonorable discharge and prosecution, which scare the fathers and mothers of these boys and cause them to withdraw the application for a discharge, as the Eddy widow did. Why should we not demand proper action on the part of the Navy Department?

Mr. FIELDS. What is the character of the discharge?

Mr. OLIVER. It is an honorable discharge.

Mr. BLANTON. Why should they impliedly be threatened with a discharge that is not honorable?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HICKS. Mr. Chairman, I rise in opposition to the amendment. We have heard a good deal about discharges from the Navy of under-age boys, and intimations have been made that the Bureau of Navigation has acted harshly in cases of this kind. Now, in justice to the Bureau of Navigation and Admiral Washington, a man of the highest integrity, kind and sympathetic, I want to refute any aspersion that may be cast on him or the bureau over which he presides. In every case that has come to my notice, and a great number have come under my observation, not only those from my own district but those of other Members of Congress, because of my membership on the Naval Committee, never in one instance in my knowledge has the Navy Department declined to discharge a man who entered the service under age when proof was shown.

They have gone further than that; in cases where they found a man who is over age but enlisted in the Navy who showed the need of his being at home on account of dependency, they have in many cases been lenient and given those men honorable discharges. If my friend from Texas desires to bring before this Congress and spread on the RECORD statements that that is not the fact and criticizing the Navy Department for doing as it has done, I think he will stand alone, as he stands alone in many other matters that he brings to this body.

Mr. BLANTON. The gentleman from New York will be alone on March 4.

Mr. VESTAL. Will the gentleman yield?

Mr. HICKS. Yes.

Mr. VESTAL. I want to say that never in the six years that I have been a Member of Congress has the Navy Department refused to discharge any boy—I do not care what his age has been—when I was able to show that they needed that boy at home.

Mr. HICKS. I am glad to get the testimony of the gentleman from Indiana. There are times, of course, when men go into the Navy, overenthusiastic, perhaps, because of the coloring that the recruiting officers give to naval life, the visiting of foreign countries, the adventure which appeals to young men, and in some cases men will probably forswear themselves as to age. But when these cases come before the bureau in a proper way, supported by proper evidence, I do not believe there is a case in recent years on record when in peace times the Navy Department has not said that has been a mistake and given the boy an honorable discharge from the Navy.

Mr. MONDELL. Mr. Chairman, there is another side of this matter that it might be well to consider. I have all the sympathy in the world for the young boys who enlist in the Navy in a moment of enthusiasm and in the spirit of adventure and who later conclude that they do not like the service, and write appealing letters home to mother. We feel for the mother of such boys. From the discussion this afternoon one would judge that only the sons of widowed mothers did this sort of thing. That is, of course, not true. The Navy of the United States, Mr. Chairman, is not a bad place for a young boy with an adventurous spirit who desires to see the world—a little inclined to run away and have his fling.

I have some question whether or no we should in every case respond favorably, immediately and forthwith, to the request that a boy enlisted under those circumstances should be discharged. In the 25 years I have been here I have had quite a bit of experience in cases of this sort. I have in mind, I think, not less than half a dozen cases—and I have been trying to recall them as the discussion has been going on—where during the pendency of correspondence with a view of securing

a discharge the parents or the boy or both have changed their minds in the matter. I recall a number of instances where I have myself advised, after learning all the circumstances—advised the parents to let the boy serve out his time. I have in mind one very recent case where the parents took a considerable journey to personally thank me for such advice.

One would imagine from some things that have been said that a boy who in his enthusiasm makes a misstatement in regard to his age and gets into the Navy has entered upon a service most unfortunate for him and unhappy for his family.

I do not think that is true generally. Quite the contrary. I do think that where boys have entered the Navy contrary to the wishes and desire of their parents, and it is very clear that the boy is needed at home, and if sent home would be of real service, we ought to endeavor to secure the discharge of such boys. But I think there are many of the cases where the boy is quite as well off in the Navy as he would be discharged. I do not think we ought to treat too lightly the offense on the part of a young boy for misstating his age. I think it is a good thing for a young man to learn early in life that he must not take a false oath; that he must not enter upon any enterprise under false pretenses; that he must not enter upon a service with the expectation of enjoying it, under misstatement of facts, and then expect to be allowed to leave it any moment that he concludes he would like some other adventure better. In all cases of this sort that have been called to my attention—and there have been many—I have felt it my duty to thoroughly inform myself as to all of the facts and circumstances, and I have not in all cases requested that the boy be discharged. I have come to the conclusion in quite a number of cases that the boy would after all, everything considered, be better off if he served out his term. Of course, if there be a widowed mother or an indigent father who may need the services of the boy, and it is very clear that he ought to be with them and have the benefit of their counsel and advice and assist them, we ought to get such a boy out. But not all the cases fall within that category.

There are many cases where a young fellow, having gone into the Navy without sufficient reflection, finding it not an altogether pleasant service, has been greatly benefited by being compelled to finish the term of his enlistment. [Applause.]

Mr. FIELDS. Mr. Chairman, I agree with much that the gentleman from Wyoming [Mr. MONDELL] has said with regard to many boys being better off in the Navy than out of it. We all have cases of this kind in our districts, and it is always my rule to write and fully inform the parents before making application for the boy's discharge. I am glad to hear that the Navy is issuing honorable discharges in cases of this kind. I regret that the Army has not adopted the same policy. I do criticize the efforts of recruiting officers in many cases of this kind. Only a few days ago I received a letter from a constituent, a widow, stating that her son had enlisted in the Navy at the age of 15. That recruiting officer knew that the boy was under age. There is no question about that. My complaint of the department, which I have voiced heretofore, is that they are not more rigid with the recruiting officers. Recruiting officers should be reprimanded, should be disciplined, should be punished for taking into the service boys under age when their appearance is bound to convince the recruiting officer that they are under age.

I may not have an opportunity to refer to this when the Army bill is under consideration, and I take the opportunity to refer to it now. The Army has not been so liberal as the Navy. In cases of this kind a boy is given a discharge without honor. It is always painful for me to see a young man who is enthusiastic enough to go into the Army, and who, prompted by his patriotic impulse, enlists in the service, but because of his tender years becomes dissatisfied, thrown out of the service, and discharged without honor. I say it is unfair to have this campaign go on by the recruiting officers of the Army and the Navy, taking into the service the children of the country and then giving them discharge without honor, when the recruiting officers know full well that they are not of military age when they take them in. I protest against it, and I wish that the departments would take some action to correct that evil.

Mr. WATSON. Mr. Chairman, I remember during the period of the war that a widow came to my house and said she had four children. Three of them had enlisted, and she was very proud of it, but the fourth boy was under 16 and had run away from home. She said she wanted him home because she believed the home influence to be better than the influence of the Government. She said that when he arrived at the proper age, and then did not go to war, she would be ashamed of him. I made an application and the boy was discharged without dishonor. I have had many cases similar to that, and not one

do I recall where the bureau did not discharge the boy. Perhaps the only penalty was in one case where he had to pay his fare home from the place where he was stationed.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. WATSON. Yes.

Mr. HICKS. While this matter was discussed a little while ago, some erroneous statement was made, or perhaps suggested, I think, that the recruiting officer received some compensation or recognition if he obtained a large number of recruits for the service. That is not correct. A recruiting officer is detailed to that work in the same way that he is detailed to other work, and whether he gets one man or ten or a hundred into the Navy the fact does not make a particle of difference so far as compensation or his service record is concerned.

Mr. FIELDS. I remember no such statement as that.

Mr. HICKS. It was made here, perhaps in casual conversation.

Mr. BLANTON. It was not made in debate.

The Clerk read as follows:

CONTINGENT EXPENSES, NAVY DEPARTMENT.

For professional and technical books and periodicals, law books, and necessary reference books, including city directories, railway guides, freight, passenger, and express tariff books, for department library, \$2,000.

Mr. CURRY. Mr. Chairman, I move to strike out the last word. I had not intended to take up any of the time of the House during the discussion of this bill. I intended to express my sentiments toward the bill by voting for it on final passage. But I can not remain silent after the delivery of the very eloquent address of my friend from California [Mr. MacLAFERTY]—and he is my friend. With most of what he said I agree, but I have to protest when he attempts to "Conan Doyle" the wraith of the dead and buried Alameda naval base project, buried under some 6 to 20 feet of water in an eternal grave on a mud flat on which borings have been made for over 250 feet and no bottom found other than quicksand and mud, on which certain people more or less interested are asking the Government of the United States to spend \$160,000,000, a tax of about \$1.40 per capita on every man, woman, and child in the United States, for the construction of an unnecessary naval base on San Francisco Bay, on property to which the city of Alameda has no title except a possessory title from the State of California to use it and lease it for a limited number of years for certain purposes to private persons, corporations, and firms, and to which the city of Alameda can give no title in fee to the United States Government, but only a perpetual possessory title to use certain mud banks for naval purposes only. If the Government should accept that site and spend forty or fifty million dollars in filling in that mud bank in an attempt to make it available for naval base purposes, and should find, as it would find, that the foundation was such that it could not carry the weight of a battleship, and should then wish to quit, the Government could not salvage and sell the site, but it would revert to the city of Alameda, and all of the moneys spent by the Government would be wasted, so far as the Government is concerned, although it might be a good thing for the city of Alameda and probably would be for the State of California.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. CURRY. Yes.

Mr. BUTLER. Is there any appropriation recommended by this committee for Alameda?

Mr. CURRY. An appropriation for Alameda on this bill would not be in order.

Mr. BUTLER. I had that in mind.

Mr. CURRY. But my friend from California was finding fault with the committee for not having included an item for it. Of course, before an appropriation could be included, in this bill the matter would have to be considered by the Naval Affairs Committee and a bill reported, passed by the House and by the Senate, and then signed by the President.

Mr. Chairman, we have in San Francisco Bay a good navy yard, the nucleus of a good naval base, at Mare Island. It is on a rock foundation. The property, thousands of acres in extent, belongs to the United States Government in fee simple. It has cost about \$40,000,000 to develop it. It is the best navy yard in the United States. It turns out better work at a cheaper cost and more expeditiously than any other yard, public or private, in this country. During the war there was no fault found with the work it turned out. There can not be any fault found with it now. When the time comes that the country needs more naval shore development in San Francisco Bay that is the place to develop it. The whole bay is a naval base, but the proper place to develop for a navy yard and base is what you have now and what you have used for the past 50

years. The late Admiral Farragut, then a lieutenant, was its first commandant. He has been succeeded by many able naval officers. I dislike to appear in opposition to something that might result in the expenditure of \$160,000,000 of American money unnecessarily in my State, but I fear the vision of my colleague of a developed and completed naval base at Alameda at the end of 40 years and the unnecessary expenditure of \$160,000,000 of the people's money to accomplish that purpose on a site that in no way meets the requirement of such a plant is an ectoplasm of his imagination. There is no material substance to it.

I am a Representative from the State of California, from the third California district, but I hope that my attitude in this House has convinced the membership that I am not in favor of spending money unnecessarily in my district or any other district in this country; that I am first of all a representative of the American people; that I am interested in the national defense, and if I thought that the Mare Island Navy Yard—

The CHAIRMAN. The time of the gentleman has expired.

Mr. CURRY. May I have three minutes more time?

The CHAIRMAN. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none.

Mr. CURRY. If I thought that Mare Island was not a proper place for a navy yard or a naval base and the adequate defense of the United States required another naval base or a navy yard built on San Francisco Bay, I would be one of the first—even if I lost my seat in Congress—to say to this House, if Alameda were a proper place or some other place were a proper place, and the defense of my country needed another naval base, do away with Mare Island and go to Alameda or elsewhere. If the Navy Department itself can give me one single solitary uncontroverted valid military reason for the expenditure of this unnecessary amount of money in the development of a place on San Francisco Bay other than Mare Island as a naval base I will quit. The facts of the matter are that the very best thought in the Navy is not in favor of Alameda. The real Navy and Army experts are in favor of the development of the Mare Island Navy Yard, and if a bill should ever properly come before the Committee on Naval Affairs of this House providing for the development of Alameda as a naval base I will not try to have any ex parte evidence given before that committee in favor of Mare Island, but I will subpoena the best experts in the Navy to appear before that committee and give their evidence of what they think is best and will submit the proposition on expert testimony from the Navy Department itself. [Applause.]

Mr. BLANTON. Mr. Chairman, I rise to oppose the pro forma amendment.

Mr. KELLEY of Michigan. I hope we can make a little progress; this particular project is not in this bill.

Mr. BLANTON. I just want to answer a criticism. I called attention to a specific case where a poor widow with five children, destitute, had her minor son join the Navy under lawful age without her knowledge or consent. These facts came to me from the reputable firm of lawyers, Walters & Baker, of San Saba, Tex., showing that attention of his unlawful age was brought to the Navy Department, because they wired his mother for consent and she wired back saying she protested against the boy being accepted; but he was accepted. I maintained that under such circumstances the Navy Department should release him immediately when the proper proof was filed, and not send a statement to the widowed mother that would make her believe that her son would be prosecuted and dishonorably discharged. I read the letter from this widow wherein she said: "I have decided to let the matter drop. I don't know what my boy swore. I am afraid I might get him in trouble, and withdraw my application for his discharge." That was my offense, calling a case of that kind to the attention of Congress, and because I did it the distinguished gentleman from New York [Mr. Hicks] gets up and criticizes and gets personal and calls attention to the fact that I have to stand alone sometimes on the floor of the House. Is it a disgrace to stand alone when a man believes he is right? I am not afraid to stand alone on a proposition when I believe I am right. I offer no apology to the gentleman from New York or the gentleman from Wyoming [Mr. Mondell] for standing alone sometimes when I believe I am right. It is easy to drift with the tide. It requires strength to swim upstream. I am sorry that after the 4th of March I will not have a chance for either one of those gentlemen to back me up on propositions. They will not be here then. I did not get personal. I did not try to throw cabbage bouquets at either of them. I was standing up here fighting for the rights of a destitute widow whose son was wrongfully inducted into the Navy, and it ill becomes

the distinguished gentleman from New York to criticize me. That is all I have to say.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

PAY, MISCELLANEOUS.

For commissions and interest; transportation of funds; exchange; mileage to officers of the Navy and Naval Reserve Force while traveling under orders of the United States, and for actual personal expenses of officers of the Navy and Naval Reserve Force while traveling abroad under orders, and for traveling expenses of civilian employees, and for mileage, at 5 cents per mile, to midshipmen entering the Naval Academy while proceeding from their homes to the Naval Academy for examination and appointment as midshipmen; for actual traveling expenses of female nurses; actual expenses of officers while on shore patrol duty; hire of launches or other small boats in Asiatic waters; for rent of buildings and offices not in navy yards; expenses of courts-martial, prisoners and prisons, and courts of inquiry, boards of inspection, examining boards, with clerks, and witnesses' fees, and traveling expenses and costs; expenses of naval defense districts; stationery and recording; religious books; newspapers and periodicals for the naval service; all advertising for the Navy Department and its bureaus (except advertising for recruits for the Bureau of Navigation); copying; ferriage; tolls; costs of suits; commissions, warrants, diplomas, and discharges; relief of vessels in distress; recovery of valuables from shipwrecks; quarantine expenses; reports; professional investigation; cost of special instruction at home and abroad, including maintenance of students and attachés; information from abroad and at home, and the collection and classification thereof; all charges pertaining to the Navy Department and its bureaus for ice for the cooling of drinking water on shore (except at naval hospitals), and not to exceed \$225,000 for telephone rentals and tolls, telegrams and cablegrams; postage, foreign and domestic, and post-office box rentals; for necessary expenses for interned persons and prisoners of war under the jurisdiction of the Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while under such jurisdiction, and for payment of claims for damages under naval act approved July 11, 1919; and other necessary and incidental expenses; in all, \$2,730,000: *Provided*, That no part of this appropriation shall be available for the expense of any naval district unless the commandant thereof shall be also the commandant of a navy yard, naval training station, or naval operating base: *Provided further*, That the sum to be paid out of this appropriation, under the direction of the Secretary of the Navy, for clerical, inspection, and messenger service in navy yards and naval stations, for the fiscal year ending June 30, 1924, shall not exceed \$625,000.

Mr. SEARS. Mr. Chairman, I move to strike out the last word. I notice in the hearings on page 637 that Admiral Potter stated that they have a balance in the fund of \$3,400,000.

Mr. KELLEY. We gave you too much money?
Admiral POTTER. No, sir. The balance of the 1922-23 appropriation available on June 30, 1922, was \$6,483,000.

But looking up the bill of last year I find the appropriation was \$700,000, and I was wondering why it could not be cut more—

Mr. KELLEY of Michigan. I think the gentleman from Florida is under a misapprehension as to the item under consideration. This item we are considering now is "Pay, miscellaneous." I think the gentleman refers to "Provisions, Navy."

Mr. SEARS. Mr. Chairman, I withdraw the motion.

The Clerk read as follows:

CONTINGENT, NAVY.

For all emergencies and extraordinary expenses, exclusive of personal services in the Navy Department or any of its subordinate bureaus or offices at Washington, D. C., arising at home or abroad, but impossible to be anticipated or classified, to be expended on the approval and authority of the Secretary of the Navy, and for such purposes as he may deem proper, \$40,000.

Mr. TINCHER. Mr. Chairman, I move to strike out the last word. I could have obtained the information if I had had an opportunity to hear the entire speech of the gentleman from Michigan, but I was called from the Chamber. Do I understand we have pretty clear information as to whether we have sufficient men in the Navy to man the treaty Navy?

Mr. KELLEY of Michigan. I will say to the gentleman that the information that was presented to the House eight or nine months ago is not materially different from the information now obtainable. I will say this, that at the present time—although we are not on that item now—

Mr. TINCHER. I know.

Mr. KELLEY of Michigan. At the present time there are 52,900 men in the treaty fleet; that the Navy Department anticipated putting on the treaty fleet as soon as the ships that are now being decommissioned are put out of commission, 3,889 more, and 1,700 more on that date on transports, making a total of 58,000 men on the fleet, leaving 28,000 men for the shore. That is the distribution of the 86,000 men.

Mr. TINCHER. Does the department still claim that they want 28,000 men on shore?

Mr. KELLEY of Michigan. Yes.

Mr. TINCHER. Is that the kind of disposition that was represented to the House they would make of the people at the time they were clamoring for what they called an increase sufficient to man the fleet?

Mr. KELLEY of Michigan. Well, the gentleman's memory is good, and I am not clear in my mind as to what division they proposed.

Mr. TINCHER. I thought they claimed that they had to have these men in order to properly man these treaty ships. Now, if it is true that they have been without that increase, I suppose the gentleman will refrain from bringing a bill in as he did a year ago for the reason that he treated it as res adjudicata, so far as this Congress is concerned, and we will maintain 28,000 men on shore until we have a new court.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

**OFFICE OF JUDGE ADVOCATE GENERAL.
SALARIES, NAVY DEPARTMENT.**

For officers and employees in the office of the Judge Advocate General, \$76,420: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding \$1,800 per annum except the following: Solicitor, \$4,000; attorneys—3 at \$3,000 each, 3 at \$2,500 each, 3 at \$2,400 each; law clerks—2 at \$2,250 each, 1 \$2,200, 3 at \$2,000 each.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Mississippi moves to strike out the last word.

Mr. RANKIN. I ask unanimous consent to proceed out of order for 10 minutes.

Mr. KELLEY of Michigan. Will not the gentleman content himself with five?

Mr. RANKIN. If there is objection, I will.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I wish to call attention of the House to an apparently inspired newspaper article, or series of articles, that have been going out from Washington from time to time relative to the farm bloc in this body, and especially to one that recently appeared in the papers throughout the country to the effect that the farm bloc in the House had deserted Henry Ford on his bid for Muscle Shoals. I will not take the time of the House to read all the article, but will call attention to the headlines and then read enough of the body of the dispatch to show its general trend. The headline which I have before me reads as follows:

FARM BLOC QUITS FORD SHOALS BID.

Farm bloc in Congress deserts Ford plan in favor of Government operation.

Under that ominous headline we find the following laughable statement:

WASHINGTON, D. C., December 6.—The House "farm bloc" Wednesday deserted Henry Ford by withdrawing support for his plan to lease the Government Muscle Shoals property.

Let me pause here long enough to say that there is not a member of the farm bloc in the House, so far as I have been able to find, who has deserted the Ford proposition. If there is one under the sound of my voice, I want him to stand up and say so. [After a pause.] Not a man rises. Every man before me who is a member of the farm bloc knows that the farm bloc has not deserted Ford, and that the statement above quoted is absolutely erroneous. But let me proceed to read you the most amusing part of this most amusing article, which is as follows:

In a bill introduced in the House by Representative DICKINSON, leader of the bloc, Government ownership of the property is to be continued, etc.

Mr. Chairman, before taking the floor to discuss this ridiculous statement, I called up the office of the gentleman from Iowa [Mr. Dickinson] and notified him that I was going to do so, because I did not want to discuss it in his absence, or at least without his having notice and being given an opportunity to be present.

It is hard for me to believe—in fact, I refuse to believe—that the gentleman from Iowa [Mr. Dickinson] is responsible for the preposterous statement that he is "leader of the farm bloc" in this House. He has never been elected to, appointed to, or recognized as head or leader of the farm bloc in the House, and it certainly is a huge joke for the newspapers to refer to him as such. I understand that references to him as head of the farm bloc went the round of the press in Iowa, and possibly other Western States, during the last campaign, and I have even heard it intimated that he made a lecture tour recently as head of the farm bloc, but I refuse to believe such reports. Surely no member of this House would arrogate to himself leadership in a body of two or three hundred intelligent men without their knowledge or consent.

As a matter of fact, the farm bloc in the House is not a concrete organization. Every member of this body who is from an agricultural district, and who conscientiously represents his

constituents, is a member of the farm bloc. He controls his own vote, and he is neither led nor delivered by any imaginary or self-appointed leader. There is no chosen leader or head of the bloc in the House, as I said, but every member is free to vote his own convictions on any and all propositions, and is answerable only to the people of the district which he is sent here to represent.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. TINCHER. I understand the paper says that the farm bloc will do so-and-so, and then it says that Mr. DICKINSON is the head of the farm bloc. That is sufficient, that settles it, so far as he is concerned, does it not?

Mr. RANKIN. Oh, yes; as the gentleman from Kansas [Mr. TINCHER] ironically suggests, that makes him the self-appointed head of the farm bloc, so far as he is concerned, provided he inspired or condoned the statement. But so far as the other members are concerned, we are not bound by any such ex parte proceedings.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. CHINDBLOM. Is it a certainty who is the head of the farm bloc?

Mr. RANKIN. As I said a moment ago, there is no concrete organization of a farm bloc. No leader has been chosen, and no one is authorized to pose as the head of the bloc.

Mr. CHINDBLOM. That is what I understood the gentleman to say.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. JONES of Texas. The gentleman from Iowa [Mr. DICKINSON] is not warranted or empowered to speak in behalf of the farm bloc?

Mr. RANKIN. Why, certainly not. He is no more the leader of the farm bloc than is the gentleman from Texas [Mr. JONES] or any other Member who conscientiously represents an agricultural district.

Mr. BUTLER. Who compose the farm bloc? I am a Representative of an agricultural district, and I am not a member of it or of any faction in the House.

Mr. RANKIN. Are you not a member of the farm bloc?

Mr. BUTLER. No. That is a distinction that I do not claim or appreciate.

Mr. RANKIN. I am willing to let the RECORD show that the gentleman from Pennsylvania [Mr. BUTLER] is not a member of the farm bloc. I said that the members of the farm bloc were men who represented agricultural districts and who are conscientiously in sympathy with the agricultural interests.

But, Mr. Chairman, the statement that the farm bloc in the House has deserted the Ford proposition seems to be a part of that propaganda that has been going on ever since his offer was submitted, more than a year ago. When I first came here, in February, 1921, just before the old Congress expired, I heard some of the very men who are now denouncing and opposing the Ford proposition advocating scrapping the Muscle Shoals project. They regarded it as absolutely worthless. But when Henry Ford came forward with his bid, containing a proposition to manufacture fertilizer for the benefit of the farmers of the country, the Fertilizer Trust began to propagate Congress against the Ford proposition. Mr. Ford's representative said at the hearings on the Ford proposition that he believed Mr. Ford could produce fertilizer at Muscle Shoals so as to reduce the price of that material 50 per cent. What would that mean to the farmers of America? Senator HEFLIN, of Alabama, said on the floor of the Senate a few days ago that the farmers of Alabama alone use \$20,000,000 worth of fertilizer annually. Reduce that 50 per cent, and you save the farmers of that State alone \$10,000,000 a year. The same may be said of other States. In my humble opinion, if we will accept the Ford offer and turn this great project over to him he will save the farmers of this country hundreds of millions of dollars every year that rolls around in the price of fertilizer alone, to say nothing of the great benefit it will be to the American people in reclaiming lands that are now considered as worn out. Thousands of men who are now out of work will be given employment at living wages, without placing a constant drain on the Treasury of the United States.

The Power Trust has been busy spreading anti-Ford propaganda, and trying to make the people believe that if Henry Ford should get this project he would use all the power himself, and that there would be none left for distribution. Every man who has investigated the proposition knows that such would not be the case. The fact is that the Power Trust is fighting this Ford offer because they realize that if he gets control of Muscle Shoals he will be able to give the people

power at a much cheaper rate than they are getting it now, and the power companies do not want him as a competitor. They know that he will make that part of the country hum with industry, and they would rather see the country remain at a standstill than to see it enjoy this prosperity without their getting the lion's share of the proceeds.

Mr. KEARNS. Will the gentleman yield?

Mr. RANKIN. Yes, for a question.

Mr. KEARNS. Does the gentleman know that when Mr. Ford made his offer to take over Muscle Shoals he only agreed to make about a million tons of fertilizer, provided he could make it at all, and that there are over 13,000,000 tons used in the United States? How is 1,000,000 tons going to bring down the price?

Mr. RANKIN. One question is enough. That shows how the gentleman feels on the proposition. It is the same old stereotyped argument. If you will turn Muscle Shoals over to Henry Ford and let it be known that he will make fertilizer at all, it will throw such a bomb into the camp of the Fertilizer Trust that you will see the price come down within the reach of the average farmer.

No, Mr. Chairman, the farm bloc has not deserted the Ford offer. Those of us who have favored his proposition ever since it was made are still supporting it, and we are still asking that the committee to which the matter has been referred, and of which the gentleman from Ohio [Mr. KEARNS] is a member, will bring the matter before the House and give us a chance to vote on it, and you will see that the farm bloc in the House has not deserted the Ford proposition. [Applause.]

Mr. KEARNS. Mr. Chairman, I rise to oppose the pro forma amendment.

Mr. KELLEY of Michigan. I shall not object to my friend KEARNS going ahead, but this Muscle Shoals proposition might consume more time than we have to spare, and after the gentleman from Ohio [Mr. KEARNS] concludes I think I shall object to having anything more on the subject of Muscle Shoals.

Mr. OLIVER. Reserving the right to object, I understand the gentleman from Ohio desires to speak out of order.

Mr. KELLEY of Michigan. Yes; he wants to speak on Muscle Shoals.

Mr. OLIVER. I think there should be a reply, inasmuch as the gentleman proposes to speak out of order.

Mr. BEGG. I do not see any reason for a reply. You have already had 10 minutes.

Mr. OLIVER. The gentleman from Ohio has filed a report on this subject. I think the House is pretty familiar with his position, and if there is something to be written in the RECORD at this time on a matter that in no way relates to the bill, I feel that there ought to be a reply.

Mr. BEGG. The gentleman did not object when the gentleman from Mississippi [Mr. RANKIN] took the floor.

Mr. OLIVER. The gentleman from Mississippi was not discussing the details of the Ford proposition but was rather giving a correct statement as to the attitude of Mr. Dickerson, and he very properly said he did not understand that Mr. Dickerson had ever authorized anyone to say that he represented the farm bloc or that he was speaking for the farm bloc.

Mr. KEARNS. Mr. Chairman, I demand the regular order.

Mr. OLIVER. I object, if the gentleman is going to speak out of order.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read:

The Clerk read as follows:

BUREAU OF NAVIGATION.

TRANSPORTATION AND RECRUITING.

For travel allowance of enlisted men discharged on account of expiration of enlistment; transportation of enlisted men and apprentice seamen and applicants for enlistment at home and abroad, with subsistence and transfers en route, or cash in lieu thereof; transportation to their homes, if residents of the United States, of enlisted men and apprentice seamen discharged on medical survey, with subsistence and transfers en route, or cash in lieu thereof; transportation of sick or insane enlisted men and apprentice seamen to hospitals, with subsistence and transfers en route, or cash in lieu thereof; transportation of enlisted men of the Naval Reserve Force to and from duty, with subsistence and transfers en route, or cash in lieu thereof; apprehension and delivery of deserters and stragglers, and for railway guides and other expenses incident to transportation; expenses of recruiting for the naval service; rent of rendezvous and expenses of maintaining the same; advertising for and obtaining men and apprentice seamen; actual and necessary expenses in lieu of mileage to officers on duty with traveling recruiting parties; transportation of dependents of enlisted men; in all, \$4,000,000.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for five minutes out of order.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for five minutes out of order. Is there objection?

Mr. TILSON. Reserving the right to object, Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

Mr. OLIVER. Reserving the right to object, I understand that it is the desire of the gentleman in charge of the bill that no further discussion be allowed out of order.

Mr. KELLEY of Michigan. No. What I thought was this, Mr. Chairman, that the Muscle Shoals matter is full of controversy.

Mr. OLIVER. Yes.

Mr. KELLEY of Michigan. And if we went into it extensively a large amount of time would be consumed. One speech having been made on one side, and the gentleman from Ohio desiring to speak on the other side, I thought perhaps it was only fair that two speeches should be made, and then the debate closed up on that subject.

Mr. OLIVER. I shall not object.

Mr. KNUTSON. When the agricultural appropriation bill comes up there will be ample opportunity to take up the several generous offers that have been made.

Mr. OLIVER. I shall not interpose any objection to the request.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut [Mr. TILSON] that at the end of five minutes all debate on this paragraph and amendments thereto be closed?

There was no objection.

Mr. KEARNS. Mr. Chairman, the only reason I rise to talk on the Muscle Shoals proposition of Mr. Ford at this time is because there has been sent out, through Congress and otherwise, information relative to this offer that is very misleading, indeed, to the American people. Those who favor the Ford offer have attempted to gain the sympathy of the farmer by pretending to him that Henry Ford, if his offer should be accepted, would use this gigantic plant at Muscle Shoals and the water power at Dams Nos. 2 and 3 for the manufacture of fertilizer. Mr. Ford in his proposition to the Secretary of War has not agreed to make one pound of fertilizer at Muscle Shoals unless he can make it at a profit to himself.

Mr. JONES of Texas. Will the gentleman yield for a question?

Mr. KEARNS. No; I can not in five minutes. Even if he can make fertilizer at a profit to himself, he only agrees to use one-tenth part of that power in the manufacture of this very much needed commodity. The Ford propagandist never, for reasons obvious, tells the country this fact. This is concealed from the public.

He tells the Military Affairs Committee both of the House and the Senate very frankly that he intends to use the other nine-tenths of the power which the Government gives him practically free for the purpose of carrying on a manufacturing plant down there for his own profit. He will manufacture with this other nine-tenths whatever is deemed most profitable to him unrestrained by any authority. He also proposes in the proposition he makes to the Secretary of War that the Federal water power act be laid aside in his case, so that the Government will have no control over his activities. Every other man or set of men in the United States who get water-power rights are under the control of the Federal Government. Any other man or set of men who get water-power rights at Muscle Shoals can get it for a period of 50 years and no longer. He demands a term of 100 years, and there are those here who would give him these special privileges. Every other man or set of men who get rights in the water power in this country are required to build their dams at their own expense.

In this instance Henry Ford demands that the United States Government out of the Federal Treasury shall build his dam for him and allow him to use it for 100 years with a rental at 4 per cent. He agrees that he will pay into the Treasury of the United States \$55,000 per annum for the upkeep of these dams, and yet every engineer who appeared before our committee testified that the minimum estimate is 1 per cent of the cost of construction for the upkeep of the dam and the maximum cost of upkeep 3 per cent, and the cost of construction would be \$67,000,000. So it would cost the American people to keep up the dams for 100 years \$670,000 per annum less \$55,000 of this sum to be paid by Ford. That is the minimum cost, and if it should reach the maximum cost of 3 per cent it would be three times that amount, or \$1,845,000 for repairs alone.

Every other man who gets water-power rights in the United States not only builds the dam but he pays for the upkeep. Ford writes into the contract that if these waters should wash

out the dam, carry away any property or human life, the Government of the United States would pay the damage. He guards himself against the payment of one dollar's worth of damage that may occur. The men who advocate the acceptance of the Ford offer say that Ford is to pay back \$50,000,000 of the \$67,000,000, the cost of dam, and they send this statement out broadcast through the country and say with an emphasis that impells belief that they are speaking the truth. When anyone who has read the Ford offer says that, they must be attempting deliberately to carry a false message to the American people, because Ford only agrees to pay back about \$4,500,000 of this \$67,000,000 that the United States puts up for his dams, and how does he propose to pay this amount? He proposes to pay it in sums of \$23,363 every six months during a period of 100 years. He says if the Government will compound the \$23,363 at 4 per cent interest, at the end of 100 years it will amount to about \$49,000,000. This is the rather unique way he proposes to pay back the \$50,000,000, and yet these men who advocate the acceptance of the Ford offer say to the American people that Ford intends to pay back the full amount. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Clerk read as follows:

OCEAN AND LAKE SURVEYS.

For hydrographic surveys, including the pay of the necessary hydrographic surveyors, cartographic draftsmen, and recorders, and for the purchase of nautical books, charts, and sailing directions, \$75,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I do that for the purpose of obtaining some information from the chairman of the committee as to what work the Hydrographic Bureau does in connection with the surveys of the Great Lakes.

Mr. KELLEY of Michigan. My understanding is that this is not conducted within the adjacent or continental limits of the United States; it is in foreign waters.

Mr. STAFFORD. What is the need of the descriptive title "Ocean and lake surveys"? I am acquainted with the work of the Hydrographic Bureau in surveys of the ocean and in interchanging the charts with foreign nations. But I was not acquainted with anything they did as far as the Great Lakes are concerned. In the appropriation bill for the War Department we have been carrying an item for the survey of the Great Lakes.

Mr. KELLEY of Michigan. There is nothing in this that has any reference to the Great Lakes.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Great Lakes, III., \$250,000.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word. I would like to make an inquiry of the chairman. The very much lamented statesman, Mr. Mann, who, to the great regret of the House and the loss of the country, has passed away, I think at one time made an observation to the effect that the Great Lakes station had been passed upon by naval authorities as not a suitable place for a naval station at all.

Mr. KELLEY of Michigan. I do not recall the observation to which the gentleman refers. The only objection I ever heard to the Great Lakes Training Station related to the cost of heating the institution. It is located in a section of the country where there is a long season of cold weather, and the amount of coal required is greater than at the naval base at Hampton Roads.

The same general observation would be applicable to the training station at Newport, R. I. The reason for maintaining all these stations is not the fact that they can not all be trained at one place, but it seems advisable to train the young boys rather in the general vicinity of their homes, and so the three stations have been provided for in the bill.

Mr. GREEN of Iowa. I have heard the objection on account of the location that it was necessarily not provided with the numerous facilities that go along with one of the great naval ports like Hampton Roads, or Newport, R. I., or the one at California.

Mr. KELLEY of Michigan. I think the gentleman is correct so far as training on ships or work of that kind is concerned. Of course, it could not be done in Chicago on account of the treaties between the United States and England respecting the carrying of guns on the vessels on the Great Lakes, but all other sorts of seamanship, of course, are feasible at Chicago.

Mr. GREEN of Iowa. As far as seamanship consisting of being on land all of the time is concerned, I think that is likely.

Mr. KELLEY of Michigan. Oh, no; the harbor has been constructed there recently, and every part of seamanship, except that of gunnery, is practiced at that base in Chicago.

Mr. GREEN of Iowa. I have seen the harbor, but it is rather complimentary to call it a harbor. It is all right for pleasure craft and small vessels, but I do not think it is of much use for naval vessels, and, in fact, there are none there that I know of and should not be.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. CHINDBLOM. The gentleman began his remarks by a reference to our mutual good friend, Mr. Mann, who, to the great regret of all of us, has passed away. A year ago, when this proposition was before the House and the committee, Mr. Mann expressed his regret that here, in his opinion, the proper activities were not maintained at the Great Lakes. I am sorry that Mr. Mann is not here to know to-day that the great Committee on Appropriations has made an ample appropriation for the performance of the activities at the Great Lakes for which that institution was established and on which the Government has spent \$10,000,000.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, it seems to me that the activities at this naval station, regardless of the question of its particular utility, might well be concentrated at these other stations, without the necessary expense of keeping this up.

Mr. BRITTEN. Mr. Chairman, if the gentleman will permit, I will say to my friend the gentleman from Iowa that if it had not been for the Great Lakes during the war, not only the personnel of the Navy but the personnel of the merchant marine would have fallen down. The Great Lakes provided 60 per cent of all of the men that went into the Navy and the merchant marine during the war.

Mr. GREEN of Iowa. Because they were sent there.

Mr. BRITTEN. No. Not merely because they were sent there, but because Great Lakes had the facilities for turning out great numbers of men in the shortest possible time. These very men subsequently became the cream of the Navy's enlisted personnel and were requested by commanding officers of many of our fighting ships.

The Navy is America's first line of defense. Its efficiency lies in the men who man it. These men are not, as generally supposed, drawn from the coasts alone, but in the main from the farms and country towns and inland cities.

During the Great War, with its heavy strain upon our military and naval resources, 65 per cent of the enlisted personnel of the Navy came from the Middle West. Great Lakes was by far the largest of our country's naval training stations, having as many as 45,000 recruits in training at one time, whipping into shape these men who, without the loss of a single vessel, convoyed across the submarine-infested Atlantic a large part of America's mighty Army.

Mr. Chairman, it will always be easier to enlist men in the Navy where the naval training station is close to the source of its man supply. To abandon or materially reduce Great Lakes would seriously hamper all future enlistments and lessen public interest in the Navy.

Thirty-eight thousand men are to be trained for the Navy in the coming fiscal year. Great Lakes is in perfect condition and without any additional investment in equipment can immediately care for 2,500 men at one time and 6,000 during the coming year. This should be done.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. FRENCH. Mr. Chairman, just let me say this in further reply to the gentleman from Iowa [Mr. GREEN]: The Great Lakes Training Station is one of the best equipped training stations in our country, and one of the great services performed by that station is the training for trades in connection with the Naval Service. Then there is another observation that was brought to the attention of the committee which we can not overlook. That is this: The section of country around the Great Lakes probably contributes a greater per cent of young men to the Navy than any like populous section of the country in the United States. At the Great Lakes Training Station these young men are trained in large part for their services upon ship board. They are in comparatively ready access to their people at home, and many people from the surrounding States come to that station to visit their sons before they go on to the longer stay on ship board. Those

considerations appealed to the members of the committee, and when you think of it in connection with the great plant we have there it seemed desirable to continue the station further.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. HICKS. Is it not a fact that in addition to the argument the gentleman has presented there is this further fact, that the Great Lakes is the greatest training station we have for mechanics in connection with the aviation service of this country? The ground men are trained there.

Mr. FRENCH. Yes.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

NAVAL RESERVE FORCE.

For expenses of organizing, administering, and recruiting the Naval Reserve Force and Naval Militia; for the maintenance and rental of armories, including the pay of necessary janitors, and for wharfage, \$194,000; for pay and allowances of officers and enrolled men of the Naval Reserve Force other than class 1 while on active duty for training; mileage for officers while traveling under orders to and from active duty for training; transportation of enrolled men to and from active duty for training, and subsistence and transfers en route or cash in lieu thereof; subsistence of enrolled men during the actual period of active duty for training; pay and allowances of officers of the Naval Reserve Force and pay, allowances, and subsistence of enrolled men of the Naval Reserve Force when ordered to active duty in connection with the instruction, training, and drilling of the Naval Reserve Force; and retainer pay of officers and enrolled men of the Naval Reserve Force other than class 1, \$2,800,000; in all, \$2,994,000, which amount shall be available, in addition to other appropriations, for fuel and the transportation thereof and for all other expenses in connection with the maintenance, operation, repair, and upkeep of vessels assigned for training the Naval Reserve Force: *Provided*, That members of the Volunteer Naval Reserve may, in the discretion of the Secretary of the Navy, be issued such articles of uniform as may be required for their drills and training, the value thereof not to exceed that authorized to be issued to other classes of the Naval Reserve Force and to be charged against the clothing and small stores fund: *Provided further*, That no part of the money appropriated in this act shall be used for the training of any member of the Naval Reserve Force except with his own consent. That until June 30, 1924, of the Organized Militia as provided by law, such part as may be duly prescribed in any State, Territory, or for the District of Columbia shall constitute a Naval Militia; and until June 30, 1924, such of the Naval Militia as now is in existence, and as now organized and prescribed by the Secretary of the Navy under authority of the act of Congress approved February 16, 1914, shall be a part of the Naval Reserve Force, and the Secretary of the Navy is authorized to maintain and provide for said Naval Militia as provided in said act: *Provided*, That upon their enrollment in the Naval Reserve Force and not otherwise until June 30, 1924, the members of said Naval Militia shall have all the benefits, gratuities, privileges, and emoluments provided by law for other members of the Naval Reserve Force; and that with the approval of the Secretary of the Navy duty performed in the Naval Militia may be counted as active service for the maintenance of efficiency required by law for members of the Naval Reserve Force: *Provided further*, That retainer pay provided by existing law shall not be paid to any member of the Naval Reserve Force who fails to train as provided by law during the year for which he fails to train.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the paragraph. I wish to ascertain generally what the Navy is doing as to the training of its reserve force, also as to the number of men that availed themselves of the liberality of the Government last year under the appropriation provided, which was much larger than that carried in the War Department bill for the reserve force of the Army, and why the Navy, without the need of having such a large reserve force, should carry virtually three times the appropriation that is carried in the War Department bill for the Army reserve force.

Mr. KELLEY of Michigan. The naval appropriation bill for the current year did not become a law until so late in the summer prior to July 1 that very little could be done during the summer months in the way of training. These reservists are at the present time in a class that draws no pay. My understanding is that the money carried here outside of what is necessary for the operation of the vessels employed in the Naval Reserve Force, which is a small amount, has not yet been expended and will not be until the naval reservists that are called are transferred into the pay class under the naval reserve act. This sum is about sufficient to pay for 1,500 officers and 5,000 men for half the year.

Mr. STAFFORD. How many officers are there in the Naval Reserve Force?

Mr. KELLEY of Michigan. There are two classes of naval reserve officers and men. The first class, as the gentleman knows, is composed of those who have served in the Navy and the second class those recruited from the young citizenship of the country generally.

Mr. STAFFORD. Through the Naval Militia.

Mr. KELLEY of Michigan. Through the naval organizations. In that second class there are 4,000 officers, in round numbers, and about 7,000 men.

Now, of that number it is expected that 1,500 officers and 5,000 men will have done their training and are in every way qualified to draw retainer pay for the last half year, and it is the intent of the Navy Department to transfer them to that class which draws retainer pay, and this sum carried in the current law will be required to meet that payment.

Mr. STAFFORD. What is the amount of the retainer pay? For how long?

Mr. KELLEY of Michigan. Two months' pay at the corresponding rate.

Mr. STAFFORD. And what service do they perform for that two months' pay?

Mr. KELLEY of Michigan. I am not enough technician to explain to the gentleman in full, but I know they have to go through the regular drills, as far as they can be conducted in a drillery, to start with. Then they have cruises prescribed by the regulations of the Navy Department, and unless they carry out all the provisions laid down by the Navy Department they are not transferred into the pay class but are carried in the class that receive no compensation.

Mr. STAFFORD. From the description of the services the gentleman has given, it seems this appropriation is much more liberal for the Naval Reserves than that to the officers of the Reserve Corps. There they only receive the pay of their grade and allowances for the 15 days they are actually in attendance at the training camps.

Mr. KELLEY of Michigan. This, of course, covers transportation of the men to and from the training camps.

Mr. STAFFORD. What rate do they receive?

Mr. KELLEY of Michigan. At the regular rate that the officers and men of the Navy receive.

Mr. STAFFORD. Again, the Navy is much favored by receiving 8 cents a mile, whereas in the Army the officers attending the reserve training camps receive only 4 cents a mile. The Navy seems to be much more favored.

Mr. KELLEY of Michigan. The gentleman will bear in mind that the Navy reservists are quite likely to be called a greater distance in training. Those in the Army, as I understand it, are furnished training nearest to the localities in which they live.

Mr. STAFFORD. The gentleman is correct. The Army reservists are called generally to some place within the corps area.

Mr. KELLEY of Michigan. This also provides for provisions as well as—

The CHAIRMAN. The time of the gentleman has expired.

Mr. KELLEY of Michigan. I ask that the gentleman have one more minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. KELLEY of Michigan. And also for the maintenance of the ships and keepers of ships that are used by these reservists in their training. This covers the entire expense of repair of ships and everything.

Mr. STAFFORD. The committee, perhaps, did not have its attention called to the fact that Army officers in the Officers' Reserve Corps receive only 4 cents a mile by reason of an amendment which was proposed by the Senate and was agreed to in conference in the War Department appropriation bill last year that resulted in a saving of considerable money to the Government, perhaps a half million dollars, and I would suggest to the committee that they bear that in mind in case the Senate, in their spasmodic spells of economy, attach such a limitation on this bill.

Mr. KELLEY of Michigan. Of course, the gentleman will bear in mind, too, we cut this item a million dollars below the Bureau of the Budget, and it is because of a great many things such as the gentleman has been reciting to the House.

Mr. STAFFORD. Is not this amount for pay to the Naval Reserve Force, \$2,800,000, the same amount as carried in existing law?

Mr. KELLEY of Michigan. Yes; but \$3,800,000 was recommended.

Mr. STAFFORD. But in the existing law it is \$2,800,000, so the gentleman did not cut the existing appropriation for that purpose. I withdraw the reservation of the point of order.

Mr. KELLEY of Michigan. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LONGWORTH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 13374, had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record in 8-point type on the so-called Bursum bill, S. 3855, which was recently withdrawn from the House by resolution of the Senate, and I desire to print in it a letter from a gentleman who is thoroughly conversant on the measure, so the membership of the House may understand what there is in that measure.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the Record in the manner indicated. Is there objection?

Mr. STAFFORD. Mr. Speaker, there are so many bills pending with the name of the Senator from New Mexico attached, described as Bursum bills, that it is difficult to know which one is referred to. There passed the Senate one relating to officers in the volunteer service, in which they were to receive the same pay and allowances as those in the Regular Army, and recently a so-called Bursum bill providing for a \$72 pension to old soldiers—

Mr. SNYDER. I stated in my request the number of the bill, S. 3855, which deals with the Pueblo Indian question in New Mexico.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SNYDER. Mr. Speaker, there has been so much propaganda on the part of the so-called Bursum bill—No. 3855—which was recently withdrawn from the House by resolution of the Senate, that I have thought it wise, in the interest of all the Members, to ask unanimous consent to print a statement with regard to the matter, so that the Members of the House who are being circularized by the opponents of this measure will have all of the information at their hand, thereby making it unnecessary for them to look further for it.

Some two years ago, as chairman of the Committee on Indian Affairs, with a select committee, we visited the city of Santa Fe, and in what was practically an all-night session we made a careful investigation of the question which the proposed bill surrounds. There is much misinformation being distributed by people who are not fully advised as to the facts of the matter, and I have thought it wise to give as much information as possible at this time, and with that in view I am printing a letter which was recently written to the editor of the New York Tribune by Mr. A. B. Rennehan, an attorney at Santa Fe, which, in my judgment, sets forth the question more clearly and illustrates the situation out there better than any document I have seen on the question up to this time:

DECEMBER 2, 1922.

To the EDITOR, TRIBUNE,

New York City:

In your issue of the 25th ultimo you have an editorial entitled "Robbing the Pueblo Indians," and referring to the Bursum bill as the instrument of the robbery.

I am not at all surprised at the industry and emotion shown by many well-meaning but, I believe, wrongly directed people in seeking the defeat of that bill, but they are not taking a broad view of the measure. They are warm-hearted people, who wept abundantly as they read of the exodus of French peasants before the German invader and, more lately, at the flight of Christians, pagans, and half pagans from Smyrna. They do not vision that about 6,000 men, women, and children would be driven from their homes and little farms, with their worldly goods upon the backs of donkeys, traveling as sadly down the roads of New Mexico as the others fled along the roads and pathways that led from their villages and vilayets.

Some of these American citizens of Mexican blood, who live upon these so-called Pueblo grants, are the descendants of those who first inhabited these lands 200 years ago or more, and later, in the Civil War, in numbers greater than their quota, fought for the Union's preservation. Virtually all of the settlers are the successors in interest by descent or purchase of these early inhabitants.

But I am concerned just now with the egregious blunders which you and the assailants have made. They seem to be without charity for these non-Indian persons who have, through their ancestors and their grantors, occupied parcels of these so-called reservations, which were waste when originally taken and by them made to blossom and bear fruit. I do not condemn the motives of these opponents, which are worthy but hysterical and uninformed. They are obsessed with the idea that the Indians are about to be either hurt or sacrificed or both. I am a better friend of these Indians than many of the spokesmen of the opposition. I have never betrayed any of them for personal pelf or profit or for any purpose, which is

more than can be said for some local representatives of these well-intentioned ladies and gentlemen, whose eyes have been clouded and whose ears I fear have been filled with malignities by compensated and uncompensated agitators. I speak the Spanish and thus approach the Pueblo Indian without the aid of interpreters. I count more personal friends among them than any unofficial person whom I know. I am the only lawyer who has advised an Indian who left his wife to maintain her and pay her the equivalent of alimony and procured him to do so.

At the time of the argument before the United States Supreme Court of the Felipe Sandoval case I heard the Solicitor General say: "I never can guess what a decision will be, but this is a case I will win. The East is full of the notion that the Indian and his friends are always right and need protection. Courts are not free from the notion."

You say that friendly New Mexico State courts will handle the suits to quiet titles. No; only the Federal court will have jurisdiction under the later Bursum bill, the one which passed the Senate. Evidently you did not read the bill or you would not have made such a mistake, which, with your influence, may be very harmful.

The Indians will not in any event "face exile or extermination," as it is not the purpose or effect of the bill to touch any lands which have not been for a long time used and occupied by others than Indians and out of the latter's control.

The Bursum bill does not confirm claims against the Indians, but fixes rules by which the United States district court can decide whether a claimant has a right to the land he occupies, and he is compelled to bring his suit against the Government in five years or lose his possession.

Much ado has been made by some of the opponents about the use of the expression "with or without color of title." They do not seem to realize that the words "color of title" are strictly of legal significance, and they take the phrase to mean "without color of right." "Color of title" is a writing granting or seeming to grant title. It is not the bald claim of a mere brazen intruder. But New Mexico had no recording system until 1852. The Spanish and Mexican archives, which were kept in Santa Fe in the Old Palace under the prior régimes, were in great part destroyed by the Indians in their uprising of 1680. It is claimed that the Indians had no power to part with their lands without consent of the Mexican or Spanish authorities, as the case might be. If such consent were given, we have no way to make the proofs, for they have been destroyed or otherwise have disappeared. The bill proposes to relieve against this situation. Again, the blood of the Spaniards and Mexicans mixed with the Indian blood, and the individuals of both races were known by Spanish names. After the lapse of so many years we can not trace the source from which a title may have come, as the name of a grantor, being Spanish, may have appertained to an Indian, a Mexican, or a Spaniard.

They say that the Bursum bill enables the district court (sec. 2-e) to take away from the Indians the power to regulate their own affairs. This is untrue. The purpose of this provision is to take away from the State courts the power to meddle judicially in disputes concerning the internal government of the Indians when the Indians themselves are quarreling among themselves. The State court formerly exercised this jurisdiction. It thinks that it still has it. The Federal court disagrees with that belief. The State court held in contempt an Indian agent named Lonergan for refusal to obey a subpoena duces tecum to bring into court certain Indian insignia. The Federal court at Santa Fe took from the State court the man thus adjudged contumacious. There was a conflict of jurisdiction; therefore section 2-e of the said bill.

One of the critics of the bill charges that the Indians will lose or have lost 41,000 acres of land known as the Pajuate purchase. An action was brought in a State court, in the name of the Pueblo community or corporation by the special attorney for the Pueblo Indians appointed by the Indian Bureau. The court decided against the Indians. The attorney either forgot to take an appeal or to perfect it. He then tried to get into the Federal court, which ruled against him because the question was res adjudicata through the State court judgment, and because the Federal court was without jurisdiction. He then appealed to the Supreme Court of the United States, which promptly showed him the door, because of the condition created by the unappealed judgment. The suit would better have been filed in the Federal court and in the name of the United States, by virtue of its guardianship. All sins can not be attributed to the settlers.

The Bursum bill, so called, S. 3855, introduced July 20, 1922, was sponsored by the Indian Bureau, and is understood to have

been drawn or suggested by the Special Assistant Attorney General of the United States, in charge of Indian litigation in New Mexico and Arizona. I, as attorney for the settlers or a great number of them, suggested sections 15 and 16 and a part of section 10. It was understood to be a bureau measure, and I was told to keep hands off for fear of mutilation or disturbance of its symmetry. I appealed to the Secretary of the Interior, who stated that his object was to protect the Indians against encroachment, while at the same time assisting the settlers, whose unfortunate circumstances he knew, so far as it could be done without injustice to the Indians. He approved section 15 because it made certain plats and surveys merely prima facie evidence of the settlers' lines, and because, if there was no dispute as to these lines, a quick adjustment would be reached. But these surveys, made under the supervision of the Indian Bureau and known as the Joy survey, as a matter of law, were disputable by either party to the litigation. While the bill is called the Bursum bill, it is really a departmental measure.

He approved section 16 because it granted nothing, but provided that in the probably few cases which it would fit a good-faith occupant, where there were peculiar equities in his favor, could purchase his fenced holding, if his application were approved by the Secretary of the Interior. This, in the light of the section, presupposes that the occupant has lost in the courts.

He approved that part of section 10 which I submitted, that rights of water and the facilities established by it for its use "be decreed to the pueblo according to its appropriation thereof for the irrigation of the lands of the pueblo as irrigated and cultivated at the time of the passage of the act," but that "any further or additional use of such waters and the appropriation thereof shall be acquired, determined, and adjudicated according to the laws of the State." This feature, I understand, has been criticized as subjecting the Indians to New Mexico's water laws as to augmentation of their use of water. But the Mexicans, Americans, and Indians frequently use the same waters through the same ditches in which they are partners and have lived and worked in harmony until the Indian cupidity has been stimulated by the proposal to take from the Mexicans and Americans what they have created and give it to the Indians.

In a matter so tender and essential as water in the arid region a conflict of jurisdiction would be disastrous, for the waters frequently arise outside of the pueblo lands and are carried within or across by ditches, which may be the property of Indian and non-Indian alike in cotenancy. Sometimes the streams flow through Indian lands, serving Indian and non-Indian equally inside and outside of the Indian grant.

The Indians have not been deprived of water, but, on the contrary, in most instances have been favored. In a country like this, where rights in and to water depend upon "appropriation, diversion, and application to a beneficial use," if the Indians were given privileges for the acquirement of additional water, independent of State sovereignty, if it could be done constitutionally, they would eventually take it all and dry up the farms and orchards of the settlers.

The pueblo of Pojuaque has signed a protest. This pueblo is virtually extinct. There remains 1 full-blood and 11 mixed bloods—part Mexican. Most of those gone have been absorbed into other pueblos, particularly the pueblo of Nambe.

The pueblo of Pecos has signed a protest. This pueblo is utterly extinct. Not an Indian remains upon it. There are but three or four of that blood living, and they have been absorbed into the Jemez Pueblo.

The lands of these two pueblos were sold to D. C. Collier & Co. at a time when the Government maintained a "special attorney for the Pueblo Indians," and since good faith and consistency are exacted, it would repay the inquiry to ask why now this querulous talk of Indian rights and who now pretends to have concealed a cure-all bill as a magpie hides a rag. I filed for the Indians a suit to set aside the sale of the Pojuaque grant to Collier & Co., in the Federal court, without a hope of reward, and argued it before Judge Pollock, temporarily sitting in the Federal court here. Decision was not rendered, but taken under advisement. Later, when Col. R. E. Twitchell, an able lawyer and historian of note, was appointed special assistant to the Attorney General in reference to Pueblo Indian litigation, he pressed the bill to vacate the sale and a decree to that effect was signed.

It is apparent to my mind that the oburgations which have been emitted that the State courts are vested with jurisdiction over all questions affecting Indian lands results from a misconception of section 3 of the bill. It provides that the State courts shall have jurisdiction over lands lying within the

pueblo grants, which have ceased to be pueblo land. Naturally this would be so, for the Constitution of the United States does not allocate or permit to be allocated to the Federal courts the determination of questions of purely State cognizance. I have always doubted the necessity of this provision and its propriety. What has the United States to do with lands non-Indian?

Tyros have been dabbling, I fear, and muddying the waters. The questions involved are extremely complex, both in law and in fact, and can not be understood at a glance by individual lay intuition or inspiration, and much of the ill-temper manifested is aroused by benevolent but perilous ignorance and superficiality which cries "Wolf! Wolf!" when there is no wolf.

Section 8 is most condemned because, it is claimed by friends of the Indian—whose friendliness I would be the last to impugn—it will take from the Indians their homes, their farms, and plantations, and so forth. This is not a fair but an unjust construction. It gives no right to land acquired within 10 years prior to June 20, 1910, when the act to enable New Mexico to form a State government was passed. But it authorizes the United States court to decree to a possessor and occupant the land within his lines, if he had actual, open, notorious, and so forth, possession for more than 10 years prior to the date above mentioned, whether he could prove a deed or not; that is, color of title; in other words, in technical, legal phraseology, adverse possession. It is not, as some of those think who have espoused the Indian cause, any mere claim hostile to the Indian. It is a claim evidenced by outward signs of dominion throughout a period continuously of more than 22 years if the bill became a law to-day.

Why was that date, June 20, 1910, adopted in the proposed act? Because it was then that Congress decreed as a condition precedent for the admission of New Mexico that "until the title of such (Pueblo) Indian or Indian tribes shall be extinguished the same shall be and remain subject to the disposition and under the absolute jurisdiction and control of the Congress of the United States," the people of New Mexico disclaiming all right and title thereto.

The courts of New Mexico had held uniformly that the Pueblo Indians were citizens of Mexico at the time of the treaty of Guadalupe Hidalgo, and afterwards of the United States, and had the right to alienate their lands like any other citizen of these countries. This was the course of judicial decision from earliest Territorial days. The Supreme Court of the United States, at its October, 1876, term, in *United States v. Joseph* (94 U. S. 614) came to the same conclusion. Speaking of the grants made by Spain and Mexico to the Pueblo Indians and the subsequent confirmation by act of Congress, the court says: "It is unnecessary to waste words to prove that this (act of confirmation) was a recognition of the title previously held by these people, and a disclaimer by the Government of any right of present or future interference, except such as would be exercised in the case of a person holding competent and perfect title in his individual right."

These were rules of property made by law and announced by the Territorial courts, which were created by Congress, and by the Supreme Court of the United States, in 1876, and they continued in force and effect and were relied upon by people and by courts uninterruptedly thereafter until the case of *Felipe Sandoval v. United States*, decided by the Supreme Court of the United States (231 U. S. 28, 58 L. Ed. 107), when, in effect, the *Joseph* case was reversed and the doctrine of tutelage established, from which have sprung the troubles of the settlers and their descendants and grantees.

Therefore this Bursum bill seeks to do justice to the settler and his dependents by recognizing the status that the courts affirmed, without injustice to the Indian, so that it be not conceded that the United States, through its Congress, shall, like an Indian giver, seek to undo that which it had solemnly done. It sought to prevent the pauperizing of people who bought land in the pueblo grants through confidence in the decisions of the national courts.

But while this bill has been called the Bursum bill, it is plain that he was the intermediary through whom it was presented to the Senate. It is an ambitious project, having for its object the assuaging of all antagonisms and laying down rules for the settlement of all questions affecting Pueblo Indians which could conceivably arise, and not through the State courts but through the national courts.

Mr. BURSUM had previously introduced in the Senate—July 19, 1921—a bill of my draftsmanship—S. 2274—less ambitious and less comprehensive in scope, but having the same general purposes, except that I provided for a commission of three

lawyers to be appointed by the President for the settlement of these questions, the progenitor of which was the act of Congress providing for the adjustment of like controversies concerning lands within the pueblo of San Francisco. I adopted that act as the pattern for mine. I also incorporated Arizona, for it has like problems, though not so many and important as those of this State.

The fundamental object of the two bills is to permit the plea of the statute of limitations or adverse possession as against the Government, against which it does not ordinarily run, and to permit proof by secondary evidence, if it can be found, which is doubtful, that the Government of Spain or Mexico authorized the sale of parts of Indian grants. Without these two modifications of the rules of evidence, particularly the first, according to the contentions of the Attorney General of the United States, the settlers' mouths are closed and they can make no defense whatsoever. Consequently there will be for them nothing to do but to take up their beds, their household goods, their movable property, and walk, driving before them their flocks and their herds.

The people of the United States, when properly informed, the Members and Senators in Congress, the great and mighty press, which can form powerful public opinion, even upon false premises, misunderstandings, and misinterpretations, will not want and will not ask a consummation so devoutly to be shunned.

For the enlightenment of those who would look further I refer to the following judicial decisions, additional to those cited: 1 N. M. 226; 1 N. M. 422; 1 N. M. 583; 12 N. M. 139; the opinion of Judge Pope in *United States v. Felipe Sandoval*, reversed by the United States Supreme Court, *supra*; the many decrees and decisions cited in 12 N. M., *supra*.

For sidelights I call attention to a few other facts.

The people of the pueblo of Abiquiu have been completely absorbed by the Mexican element. This is a fine indication of what has happened upon other pueblo grants, but in less degree.

The number of acres included in the Tesuque Pueblo grant is 17,471, as patented. The number acquired by settlers, as shown by the survey mentioned in section 10 of the Bursum bill, is 457. There is no recent augmentation.

The number of acres included in the Santa Clara grant is 17,368, as patented. The number acquired by settlers, as shown by the said survey, is 4,073. There is no recent augmentation.

I have taken as samples one of the grants in which less acreage is claimed adversely, and one of the grants in which greatest acreage is claimed adversely.

The total in each instance is very small, considering the time that has passed since the Spaniards first dominated the Indians of the pueblos.

It is only recently that the Indians have begun slightly to increase their acreage in cultivation, and the smaller quantity of land heretofore cultivated by them is not due to any antagonism between the races, for they have lived side by side as friends, and intermarried, along the centuries, except on occasions of revolution attempted by the Indians, first against Spaniards and Mexicans, and against Americans after the American occupation.

Their villages are usually quite distant from the Mexican and American towns, as in the case of Taos, 3 miles away; Santa Clara, 3 or 4 miles from Espanola; Tesuque, 3 miles away from the settlement of the same name.

Remember also that Taos is a town with an actual property valuation of probably \$750,000 to \$1,000,000; Espanola, with an actual property valuation of as much or more; in neither instance including farms, ranches, and orchards.

No conscientious person, lay or official, desires the inequitable detriment of these Indians; no conscientious person, artist, tenderfoot, or dilettante, should desire the inequitable detriment of the settlers.

It is rare that a legislative bill falls perfect from the hands of its makers. This bill may contain imperfections, though, looked at sympathetically and honestly, they are not fundamental or critical. If there are in it important imperfections, judicious consideration will discover and remove them much better than accusation and denunciation of honorable public servants as scoundrels, who would cruelly expunge an ancient and interesting civilization, largely based, however, upon the Spanish.

Abuse of the Indian has been more the pastime of the Anglo-Saxon than the nature of the Mexican, for the Mexican and the Indian have fraternized and cooperated. The Anglo-Saxon, where he has not driven off the Indian by the bullet, has cajoled and purchased him with whisky and beads and other trinkets.

The titles to the towns of Taos, Espanola, and Tesuque are as good, if not better, as the original titles upon which the city of New York rests.

This is very lengthy, but as short as the subject will permit, and I hope you will give it space, notwithstanding its length, because of the importance of the question both to those who oppose the bill and those who favor it.

Respectfully,

A. B. RENEHAN.

Mr. KRAUS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech delivered by my colleague [Mr. SANDERS of Indiana] at New York before the Indiana Club on Tuesday evening.

My colleague has done much research work in the early history of the State of Indiana. The results of some of that work were detailed before the club, and they are of general interest. I ask unanimous consent to extend my remarks by inserting that address.

The SPEAKER. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD by inserting the matter indicated. Is there objection?

There was no objection.

The speech is as follows:

Speech delivered by Representative EVERETT SANDERS, of Indiana, on the occasion of a banquet of the Indiana Club of New York City at the McAlpin Hotel on the night of December 12, 1922.

INDIANA A CENTURY AGO.

Every first-grade pupil knows the name of our first President—most Indiana high-school pupils know the name of our first Indiana governor. I doubt, however, if 1 Indian in 500 knows the name of the first Delegate to Congress from Indiana Territory or the name of our first Congressman and our first two Senators.

Our first Delegate was Benjamin Parke, listed as a Democrat. I have searched through the Annals of Congress very diligently to find the initial speech of our first spokesman. Parke's first utterance was on February 14, 1806, and arose when there was a controversy in the House over the proposed sale of a township of lands to Frederick Rapp and his associates, who were going to and did afterwards settle New Harmony, Ind. Representative Jackson, of Virginia, was opposing the sale and Jackson asserted that "the land ought to be sold for at least \$6 an acre." Whereupon we find in the record:

Mr. Parke, of the Indiana Territory: "Even in the settled parts of the Territory lands are not above \$3." This was a short speech, but it settled the question. Land has since so increased in value that in Indianapolis it sells as high as several thousands of dollars per front foot. I might say in passing that length of congressional speeches has increased in direct ratio with the value of the land.

In person Parke was tall, nearly 6 feet, spare in habit, and of rather delicate frame. He was in the Battle of Tippecanoe at the head of a company of dragoons, and was made a major, commanding a troop of Cavalry after Major Daviess fell.

General Harrison said of him: "He was in every respect equal to any Cavalry officer of his rank that I have ever seen. As in everything else which he undertook, he made himself acquainted with the tactics of that arm and succeeded in bringing his troops, both as regards field maneuvering and the use of the saber, to as great perfection as I have known."

Benjamin Parke headed the committee to whom was referred the letter of Gov. William Henry Harrison, inclosing resolutions of the legislative council and the House of Representatives of Indiana Territory, asking a 10-year suspension of the article in the ordinance of 1787 forbidding slavery. Mr. Parke, for the committee, reported a resolution favoring the suspension for 10 years. This occurred on February 12, 1807.

Mr. Parke was a lawyer and resigned as Delegate to become Territorial judge, which position he held from 1808 to 1817, at which time he became the judge of the first United States District Court for the State of Indiana, serving in that position from 1817 to 1835, at which time he died at Salem, Ind. He had entered public life in 1804 as attorney general for Indiana Territory, and was in the Territorial legislature. He was in public life continuously for more than 31 years.

Parke was succeeded by Jesse B. Thomas, a Whig, former speaker of the House of Representatives of Indiana Territory, whose chief activities consisted in dealing with the problem of separating the Indiana Territory into Indiana and Illinois. He headed a committee to determine whether the Territory should be divided, and in his report urged the division, because the people in Illinois couldn't get across from Illinois to the court at Vincennes. Muddy swamps of the Wabash prevented them. The report also stated that at that time there were approximately 11,000 people west of the Wabash River and 17,000 east. When the bill was under consideration, violent opposition was met, and the record shows that the opposition was on the grounds, quoting verbatim, "that the expense to the United States for this new government (that is, the proposed new Illinois Territory) would be \$6,950 yearly, * * * that this proceeding might be very convenient to the men who should be appointed governors and judges, but for no other good purpose."

Six thousand nine hundred and fifty dollars! Boy, page Mayor Thompson of Chicago. That would not half-sole the shoes of his policemen.

After Illinois Territory was organized in 1809, Thomas became Judge of the United States District Court for the Northwestern District—was delegate to the Illinois constitutional convention, became president of that body, and was one of Illinois' first two Senators, serving in that capacity from December 3, 1818, to March 3, 1829. He was in public life for 24 years. When a Senator from Illinois, he was the real author of the Missouri Compromise, although Henry Clay is generally given credit for this measure.

Our third and last Delegate was Jonathan Jennings, a Federalist and a conspicuous character in the early Indiana history. He was about 5 feet 8 inches in height, had blue eyes, a fair complexion, sandy hair, weighed about 180 pounds, and is described as a man of polished manners.

The ordinance of 1787 had a proviso against slavery. Ever since Indiana became a Territory there had been political agitation to have the Congress repeal this proviso. The proposed repeal of the anti-slavery clause and acts by the Territorial legislature passed with a view of evading the slavery provisions constituted almost the sole political issue in Territorial days. It is interesting to note that those favoring slavery usually came from slave States, while those opposing came from free States.

When it came to selecting the third Delegate, the people had been granted the right of suffrage. Jennings, who was born in New Jersey and had spent his early life in that State and the State of Pennsylvania, came out as a candidate for Delegate on a platform opposing slavery, while Thomas Randolph, who was born in Virginia, announced in favor of slavery. The contest was bitter and Jennings won out by 39 votes, and Randolph went to Washington and contested the seat. The Elections Committee reported in favor of declaring the seat vacant. The Committee of the Whole House adopted the report, but the House seated Jennings.

He served from November 27, 1809, until Indiana became a State, at which time he became the first governor. His work in the House as a Delegate, in addition to his fight for statehood of Indiana, was principally in the interest of extension of roads and the establishment of land offices, and the extension of time of payments on lands. He also made a very brilliant speech urging the raising of mounted rangers to protect the frontier from the Indians. The greatest work he performed as a Delegate in the House was to secure the admission of the Territory of Indiana as a State. He was chairman of the House committee and his report accompanying the bill for statehood showed that the total population of Indiana was 63,879, or about 2 per cent of our present population.

His efforts were crowned with victory when on December 6, 1816, William Henry Harrison, then a Representative from Ohio, who had been governor of the Territory for 12 years, and was destined later to be President of the United States, moved a final resolution of statehood, which was adopted. This resolution was passed by the Senate and signed by President James Madison on December 11, 1816.

I can't resist following Jennings back into the State, for his advent as our first governor gives us considerable light on the political and governmental history of that time. In his first race for governor he ran against Thomas Posey, a former Virginian, and the slavery question was again an issue, and Jennings again won out on the antislavery platform.

When he became governor, Christopher Harrison became lieutenant governor. President James Monroe wanted to make land treaties with many tribes of Indians and appointed the governor to serve as one of the negotiators. The new State constitution contained a provision preventing the governor from holding a commission as a Federal officer. While the governor was absent negotiating the treaties the lieutenant governor claimed that he had forfeited the office. The Vincennes Western Sun and General Advertiser, under the head, "The National Register," thus reviewed the political situation in Indiana:

"Politics in Indiana are in a great measure personal contests. The latest agitation of her statesmen that we have heard of is the opposition of the lieutenant governor to Governor Jennings acting as negotiator of Indian treaties under an appointment by the President of the United States.

"The lieutenant governor, considering the governor as having forfeited the throne, seized upon the reins of authority as heir apparent and sequestered the seal of the Commonwealth. Governor Jennings, returning from diplomatic converse with the Indians, walked very deliberately into the secretary of state's office, put the great seal into his breeches pocket, hinted that kings and rulers were not accountable to frail mortality, and coolly walked away, and probably whistling Lillabulero.

"The people we presume will settle the dispute."

On its assembling both houses of the legislature recognized Mr. Harrison as governor, but appointed a committee to investigate, and the report in favor of recognizing Governor Jennings was adopted 15 to 13, whereupon Harrison resigned in a huff, and the next year ran against Jennings for governor, but was beaten 11,000 to 2,000.

It is of great interest to Hoosiers to know that in 1821 the legislature elected Harrison, James W. Jones, of Gibson County, and Samuel P. Booker, of Wayne County, commissioners to lay off Indianapolis, the new capital. At the time fixed by law for the commissioners to meet none of them, except Mr. Harrison, appeared. He acted by himself, appointed surveyors who commenced work in April, 1821, and the next October the lots were sold. One of the surveyors was Alexander Ralston, who had assisted in the survey of Washington City.

The political bias of the day afforded about as good a criterion for an opinion as at present, for on July 4, during the gubernatorial campaign between Jennings and Harrison, at banquets of the political cliques, I find on one program the following toast:

"The State of Indiana—may she arise in the purity of her strength and indignantly banish from power the man who dares to tramp upon her constitution and laws."

While on the same day on the other program appeared "Jonathan Jennings—well done, good and worthy servant." The vote of the people approved the last toast, for Jennings defeated Christopher Harrison. After serving almost two terms he resigned as governor and reentered Congress as a Representative and served from December 2, 1822, to March 3, 1831. He had entered public life as a clerk of the Territorial legislature; but, not counting that service, he had been in public life from 1809 to 1831, a period of 22 years.

This concludes our Territorial representation.

William Hendricks was our first Representative in Congress. I mean actual Representative after Indiana was admitted to the Union. He served from December 2, 1816, until his resignation in 1822 to become Indiana's third governor. At the close of his term as governor he was elected United States Senator for Indiana and served from March 4, 1825, to March 3, 1837. Counting his service as a member of the Territorial house of representatives, where he also served as speaker, and his service as secretary of the constitutional convention, Hendricks was in public life about 22 years. He was not the father but the uncle of Thomas A. Hendricks, who subsequently became Governor of Indiana, and still later Vice President of the United States.

Hendricks was 6 feet high, had a well-proportioned body, auburn hair, blue eyes, and a florid complexion. He was a newspaper man. When he came to Indiana he brought with him a printing press and commenced printing a publication called The Eagle. Newspaper men in those days were more frank than at present. For instance, on May 29, 1819, the National Intelligencer contained the following:

"We are obliged to devote our columns to-day to advertisements and a few more pressing and promised articles. Having got them out of the way we shall be able again to make progress in the publication

of the debate in the House of Representatives * * * and in the Senate * * *

No newspaper to-day apologizes for omitting congressional debates to make space for advertising.

The newspaper men also had their troubles, as shown by this advertisement in the Tocsin of June 12, 1819:

"To printers and patrons:

"Beware of a villain. Winslow Skeel, as he calls himself, a printer, called on me between two and three weeks since for employment, dressed in an old sailor's suit of blue, which he said he purchased at Louisville in consequence of losing all his clothing in coming down the Ohio on a raft which was stove to pieces in going over some rapids. He left this place secretly, on Wednesday last, about \$11 in my debt for money and clothing, besides taking from the office several articles in clothing, such as vests, handkerchiefs, shirts, and stockings, to what amount is unknown. * * * He is very capable of acting the rascal and much of an adept in the act of roguery. He is about 26 years of age, rather under common size, about 5 feet 6 inches high, dark complexion, long dark hair, down look, and the end of his nose turns up; he has lost one or two of his upper foreteeth for which he has substituted a piece of a bone cut in the form of two teeth, which he does not always wear as they plague him in eating. * * *

"Patrons will be careful to whom they pay money for subscriptions. * * *

"E. PATRICK."

Mr. Hendricks spoke in favor of only \$6 per day on the compensation bill for Congressmen during his first term on January 14, 1817. I quote from the Annals, which, however, were always written in the third person:

"There was scarcely a man, he believed, in the remote settlements of Indiana who had not heard and reprobated the law, and it was no wonder, said Mr. Hendricks, that his constituents disapproved the law. Their ideas of expenditures were very unlike those of all the eastern cities. Six dollars per day sounded large enough to them. Their sources of wealth, means of producing money, were few and narrow when compared with the commercial opulence of the maritime country or even the independent competency of an older State. They were rescuing their country from a wilderness. Agriculture was in its infancy, and the produce they had to spare, their corn and their beef, in the neighborhood of a plentiful market bore a very low price." (Jan. 14, 1817, 30 Annals, p. 507.)

During the time that William Hendricks served in Congress his wife accompanied him to Washington, riding on horseback the entire distance from Madison, Ind., to Washington, D. C., carrying an infant child in her arms.

Our first two Senators were James Noble and Waller Taylor. They appeared and qualified together on December 12, 1816. They had presented their credentials on the 2d of December, but were not seated until after the signing of the final resolution of admission.

Senator Waller Taylor was a Virginian and a steadfast friend of Governor Harrison, and a determined advocate of slavery. He was of soldierly bearing and had been a major in the Army. He had taken sides with Randolph on the slavery question in the contest for Congress with Jonathan Jennings, and even went so far as to try to get Jennings to challenge him to a duel, but failed to accomplish that purpose.

The Annals of Congress do not indicate that Taylor took a very active part in the debates, although he always cast his vote on the proslavery side of every piece of legislation involving slavery, apparently still clinging to his old Virginian ideas.

Senator Noble had been in the first Indiana Constitutional Convention. He was a lawyer and was said to be one of the strongest and most effective speakers of his time before a jury. He was a large, well-proportioned man of fine address and bearing. He had black hair, dark eyes, and easy and graceful manner. He was a brother of Noah Noble, one of Indiana's governors.

It was during Noble's early service in the Senate, on February 12, 1817, that Indiana was the cause of breaking up a joint meeting of the House and Senate called to count the electoral votes. In those days, as now, people did not vote directly for President, but voted for electors who sent the sealed electoral votes of the respective States to the President of the Senate to be opened by him in the presence of the House and Senate and there counted.

James Monroe, of Virginia, and Rufus King, of New York, were the candidates. After the joint meeting was assembled, Taylor, of New York, a Democrat, who no doubt was anxious to be courteous to his friend, Rufus King, objected to counting Indiana's three votes, because he said it would set a bad precedent to let a State vote whose electors had been chosen before the State was finally admitted. The election, of course, had occurred before December 11, 1816. The Speaker, Henry Clay, said the joint meeting was to count the votes, and the only way they could take up Taylor's discussion was for the Senate to withdraw. Whereupon the Senators withdrew, and after some considerable discussion in the House, in which Representative Hendricks, of Indiana, joined, it was decided that the electoral votes of Indiana should be counted. The Senators returned and Indiana cast three votes for James Monroe, who received 183 to 34 for Rufus King.

Senator Noble served in the Senate until his death in Washington on February 26, 1831. Impressive ceremonies were held in the Capitol, attended by the President and the Cabinet, and Indiana's first Senator was then laid to rest in the Eastern Branch burial ground in the city of Washington.

Thus of the three Delegates who represented us while we were a Territory, the first was of such distinction that he became our first United States district judge, the position now held by Judge Anderson, and served the remainder of his life with great honor. The second was appointed to a like position in Illinois Territory, and later became that State's distinguished Senator, while the third was of such marked ability that he was chosen as our first governor, and after being elected twice to that office was returned four successive terms to Congress.

Our first Congressman served with such distinction that he was continuously reelected until he resigned to accept the governorship and served so well that he was then elected Senator.

Our first two Senators were men of equally high character and ability. The record is filled with chronicles of the fights by all of these men for roads, for canals, for land offices, for settlers' rights and privileges, for frontier protection by rangers and militia. In one address these details can not be given, but these were the necessary founda-

tion stones carefully laid for the great State structure the world knows as Indiana.

This meeting of Hoosiers to-night on the day following the anniversary of the admission of Indiana to the Union is a proper occasion to go back for a century for a picture of those early days. Those pioneers in statecraft shall not be forgotten. Like the pioneer woodsmen and farmers who were hewing civilization out of a wilderness, these early statesmen were bringing order out of chaos in building the necessary government to foster our progress.

Happy for Indiana and for the Nation that these first men who stood in our national halls and responded when Indiana was called were representative of the fine bulwark of civilization that was being built up on the Ohio and the Wabash.

New York City, with all its needs for men of action, of enterprise and of industry, like our other large cities, reaches out for Hoosiers who have come from the environment I have here described. We meet here to-night as Hoosiers to let our memories dwell on the Wabash and the Ohio, whose waters have been made immortal in verse and song. Wherever we shall go, whate'er may betide, we shall carry with us the Indiana spirit.

The warm, generous impulse of heart shall govern our dealings with others. These Hoosier ties of friendship we shall nurture and cherish. We shall so carry on in all the walks of life that it shall continue to be a proud honor to hear it said, "He hails from Indiana."

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ENROLLED BILL SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 11040. An act to amend an act entitled "An act authorizing the sale of the marine hospital reservation in Cleveland, Ohio," approved July 26, 1916.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that December 12 they had presented to the President of the United States, for his approval, the following bills:

H. R. 449. An act for the relief of the Cornwell Co., Saginaw, Mich.;

H. R. 540. An act for the relief of Bradley Sykes;

H. R. 1463. An act for the relief of William Malone;

H. R. 1862. An act for the relief of Leroy Fisher;

H. R. 6251. An act for the relief of Leo Balsam;

H. R. 8062. An act amending subdivision (5) of section 302 of the war risk insurance act; and

H. R. 8264. An act for the relief of Thomas B. Smith.

ADJOURNMENT.

Mr. KELLEY of Michigan. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until to-morrow, Friday, December 15, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

828. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a statement of all expenditures for the encouragement of the breeding of riding animals suitable for the military service, was taken from the Speaker's table and referred to the Committees on Appropriations and Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SNYDER: Committee on Indian Affairs. H. R. 13235. A bill to amend the Indian appropriation act of February 14, 1920 (41 Stat., p. 413), in so far as the same relates to the collection of fees for determining the heirs and approval of wills of deceased Indians; without amendment (Rept. No. 1272). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. H. R. 3184. A bill to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910; with an amendment (Rept. No. 1273). Referred to the House Calendar.

Mr. VESTAL: Committee on Coinage, Weights, and Measures. H. R. 13194. A bill to authorize the coinage of 50-cent pieces in commemoration of the one-hundredth anniversary of the enunciation of the Monroe doctrine; without amendment (Rept. No. 1274). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 6852. A bill to carry out the findings of the Court of Claims in the case of the Commercial Pacific Cable Co.; with an amendment (Rept. No. 1275). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 13211) granting an increase of pension to Nellie J. McKenna; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 13261) granting a pension to Robert McAfee; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MACGREGOR: A bill (H. R. 13403) to repeal Title III of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. MONDELL: A bill (H. R. 13404) granting Hell's Half Acre to the county of Natrona, State of Wyoming, for park purposes; to the Committee on the Public Lands.

By Mr. BRENNAN: A bill (H. R. 13405) to make provision for and grant relief to vocational trainees who suffer an additional injury while pursuing vocational training; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND of Indiana: A bill (H. R. 13406) providing for a survey of the west fork of White River, Ind., with a view to making same navigable; to the Committee on Flood Control.

By Mr. REECE: A bill (H. R. 13407) to further amend and modify the act to establish a United States Veterans' Bureau; to the Committee on Interstate and Foreign Commerce.

By Mr. COUGHLIN: A bill (H. R. 13408) providing for an appropriation for the purpose of making a survey and completing plan and estimate of cost for regulating the stream flow and controlling the flood waters of the Susquehanna River; to the Committee on Flood Control.

By Mr. HAYS: A bill (H. R. 13409) to provide for the erection of a public building on ground already acquired at West Plains, in the State of Missouri; to the Committee on Public Buildings and Grounds.

By Mr. COPELEY: A bill (H. R. 13410) granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River; to the Committee on Interstate and Foreign Commerce.

By Mr. SUTHERLAND: A bill (H. R. 13411) to amend an act entitled "An act to define and punish crimes in the District of Alaska, and to provide a code of criminal procedure for the District," approved March 3, 1899, as amended; to the Committee on the Territories.

By Mr. JACOWAY: A bill (H. R. 13412) authorizing the Secretary of War to transfer to the State Fair Association of Arkansas all right and title now vested in the United States to the Little Rock air intermediate depot; to the Committee on Military Affairs.

By Mr. MILLS: A bill (H. R. 13413) to amend the revenue act of 1921 in respect to capital gains and losses, and for other purposes; to the Committee on Ways and Means.

By Mr. PERLMAN: A bill (H. R. 13414) relative to post-office laborers; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 13415) amending the civil service retirement law; to the Committee on Reform in the Civil Service.

Also, a bill (H. R. 13416) increasing the salaries of laborers in the Postal Service; to the Committee on the Post Office and Post Roads.

By Mr. RAINEY of Alabama: A bill (H. R. 13417) to provide for the registration of aliens; to the Committee on Immigration and Naturalization.

By Mr. FISH: A bill (H. R. 13418) for the retirement of all enlisted men who have served honorably in the United States Army, as herein provided, and for other purposes; to the Committee on Military Affairs.

By Mr. YOUNG: A bill (H. R. 13419) to enlarge the public building at Bismarck, N. Dak.; to the Committee on Public Buildings and Grounds.

By Mr. GREENE of Massachusetts: Joint resolution (H. J. Res. 410) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SUTHERLAND: Joint resolution (H. J. Res. 411) authorizing a preliminary examination or survey of Saxman Harbor, Tongass Narrows, Alaska; to the Committee on Rivers and Harbors.

By Mr. NEWTON of Missouri: Joint resolution (H. J. Res. 412) providing for the relief of the distress and famine conditions in Germany and Austria; to the Committee on Foreign Affairs.

By Mr. CAMPBELL of Kansas: Resolution (H. Res. 467) for the immediate consideration of H. J. Res. 314, proposing an amendment to the Constitution of the United States; to the Committee on Rules.

By Mr. REBER: Resolution (H. Res. 468) providing for payment for clerk to the Committee on Mileage; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 13420) granting a pension to James N. Meyers; to the Committee on Pensions.

Also, a bill (H. R. 13421) granting a pension to Herschel Spainour; to the Committee on Pensions.

By Mr. DUNBAR: A bill (H. R. 13422) granting a pension to Luther L. Sloan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13423) granting a pension to Rebecca J. Williams; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 13424) granting a pension to Emma Park; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 13425) granting an increase of pension to Isaiah Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13426) granting a pension to Addie Sour; to the Committee on Invalid Pensions.

By Mr. WATSON: A bill (H. R. 13427) for the relief of Mordecai Fizone; to the Committee on Military Affairs.

By Mr. WILLIAMS of Illinois: A bill (H. R. 13428) for the relief of Edna Mae Baird; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6593. By Mr. APPLEBY: Petition of Halsted H. Wainwright, president of the Monmouth County (N. J.) Historical Society, and John Holsart, president of the Federated Boards of Education of Monmouth County, N. J., for the enactment of legislation for the preservation of valuable Government documents through the erection of a national archives building; to the Committee on Public Buildings and Grounds.

6594. By Mr. CRAGO: Resolutions adopted by the College of Physicians of Philadelphia, protesting against the passage of the so-called Johnson bill, H. R. 12605, because its passage would assure horrible cruelty to our troops and serious military disaster to the Nation; to the Committee on Military Affairs.

6595. By Mr. ELLIOTT: Petition of F. A. Mann and others, petitioning to abolish the discriminatory tax on small arms and ammunition and firearms in section 900, paragraph 7, of the internal revenue bill; to the Committee on Ways and Means.

6596. By Mr. FULMER: Petition of Pierre F. LaBorde, D. P. Faulkenberry, Lane L. Bonner, of Columbia, and O. H. Folley and 41 other citizens, of Sumter, S. C., requesting removal of discriminatory tax on small-arms ammunition and firearms as embodied in section 900, paragraph 7, of the internal revenue bill; to the Committee on Ways and Means.

6597. By Mr. HAYS: Petition of Robert B. Meentemeyer and 20 other citizens, of Gideon, Mo., asking for the removal of the tax on firearms and ammunition; to the Committee on Ways and Means.

6598. Also, petition of C. H. Yanson and 21 other citizens, of Sikeston, Mo., asking for the removal of the tax on ammunition and firearms; to the Committee on Ways and Means.

6599. By Mr. KISSEL: Petition of the Federated Trades Council of Milwaukee, Milwaukee, Wis., urging the impeachment of the Attorney General and Judge Wilkerson; to the Committee on the Judiciary.

6600. By Mr. OGDEN: Resolution of the Merchants and Manufacturers' Association of Louisville, Ky., relative to the different postal rates; to the Committee on the Post Office and Post Roads.

6601. By Mr. PATTERSON of New Jersey: Petition of 21 citizens of Camden, N. J., against the tax on small arms, ammunition, and firearms, section 900, paragraph 7, internal revenue bill; to the Committee on Ways and Means.

6602. Also, resolution of Builders and Traders' Exchange, Newark, N. J., favoring 1-cent letter postage in cities, towns, and on rural routes; to the Committee on the Post Office and Post Roads.

6603. By Mr. ROUSE: Petition of the Kentucky State organization, American Association of Recognition of Irish Republic, James G. Regan, president, and Mary E. Madden, secretary, protesting against certain statements made by Ambassador Harvey and asking for his recall; to the Committee on Foreign Affairs.

6604. By Mr. STRONG of Pennsylvania: Petition of 37 members of the Junior Order United American Mechanics, Homer City, Pa., favoring the enactment of the Towner-Sterling bills (H. R. 7, S. 1252); to the Committee on Education.

6605. Also, petition of the Indiana County Sheep and Wool-growers' Association, Indiana County, Pa., favoring enactment of the French-Capper truth in fabric bills (H. R. 64, S. 799); to the Committee on Interstate and Foreign Commerce.

6606. By Mr. YOUNG: Petition of the North Dakota Wheat Growers' Association, urging immediate legislation for the establishing of a Federal structure for agricultural interests; to the Committee on Agriculture.

6607. Also, petition of H. B. Garden & Co. and others, of New Rockford, N. Dak., urging the abolishing of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6608. Also, petition of C. M. Bjerke and others, of Burleigh County, N. Dak., urging legislation be passed to relieve the farmers of their present desperate condition; to the Committee on Agriculture.

6609. Also, petition of A. B. Herrmann and others, of Rolette, N. Dak., urging legislation to relieve the farmers of their present deplorable condition; to the Committee on Agriculture.

6610. Also, petition of P. B. Peterson and others, of Fordville, N. Dak., urging that a fair price be fixed on all farm products; to the Committee on Agriculture.

SENATE.

FRIDAY, December 15, 1922.

(Legislative day of Thursday, December 14, 1922.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

PETER G. GERRY, a Senator from the State of Rhode Island, appeared in his seat to-day.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Asburt	Gooding	McNary	Spencer
Bayard	Hale	Myers	Stanley
Cameron	Harrell	Nelson	Sterling
Capper	Harris	New	Sutherland
Couzens	Harrison	Nicholson	Swanson
Culberson	Heflin	Overman	Townsend
Cummins	Johnson	Page	Trammell
Curtis	Jones, N. Mex.	Pepper	Underwood
Dial	Jones, Wash.	Pomerene	Walsh, Mass.
Dillingham	Kendrick	Ransdell	Walsh, Mont.
Ernst	Keyes	Reed, Pa.	Warren
Fernald	Ladd	Robinson	Williams
Fletcher	La Follette	Sheppard	
George	McKellar	Smith	
Gerry	McKinley	Smoot	

Mr. CURTIS. I was requested to announce that the Senator from Ohio [Mr. WILLIS] is necessarily absent, due to illness in his family.

I was also requested to announce that the Senator from Iowa [Mr. BROOKHART] is detained at a meeting of the Committee on Manufactures.

Mr. LADD. I was requested to announce that the Senator from Nebraska [Mr. NORRIS] is detained on important business in connection with his committee work.

The PRESIDENT pro tempore. Fifty-seven Senators have answered to their names. There is a quorum present.

Mr. WARREN. Mr. President, inasmuch as we are in recess, I wish to appeal to the Senator in charge of the unfinished business and ask that it may be laid aside temporarily for the purpose of taking up House bill 13316, making appropriations for the Departments of Commerce and Labor.

Mr. JONES of Washington. I am willing that that may be done, with the distinct understanding, however, that if the appropriation bill shall not be disposed of by 2 o'clock the unfinished business will be called up. But I hope we shall be able to pass the appropriation bill in 15 or 20 minutes.

The PRESIDENT pro tempore. The Senator from Wyoming asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none, and it is so ordered.

REPORT OF FEDERAL BOARD FOR VOCATIONAL EDUCATION.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of Labor, chairman of the Federal Board for Vocational Education, transmitting, pursuant to law, the sixth annual report of the board, which was referred to the Committee on Education and Labor.

CONSTRUCTION OF POST-OFFICE BUILDINGS.

Mr. TOWNSEND. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on Public Buildings and Grounds a letter which I received on yesterday from the Postmaster General directed to the Joint Commission on Postal Service relative to a matter which the commission is investigating and which I am sure is of great interest to the Members of the Senate. It refers to the necessity of determining whether we are to build by the Government certain absolutely necessary post-office buildings or whether we are to have buildings leased. I ask that the letter be printed simply for the information of the Senate. The question is being considered by the Joint Commission on Postal Service.

There being no objection, the letter was referred to the Committee on Public Buildings and Grounds and ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C. December 11, 1922.

JOINT COMMISSION ON POSTAL SERVICE, Washington, D. C.

MY DEAR SIRS: On August 21, 1922, I had the honor to send to your commission a communication concerning the ownership by the Government of such new postal buildings as must of necessity be erected from time to time to accommodate the rapidly expanding volume of mail.

Basing my recommendation wholly on principles of business economy, I cited the fact that the department is constantly compelled to secure additional postal buildings by contracting for leases of structures not in existence but to be erected by private capital. Although such leases are negotiated with the greatest care and through the best competition available, they are usually made on an investment basis of from 8 to 15 per cent.

This state of affairs arises from the fact that, generally speaking, Congress, in the past, has followed the policy of appropriating moneys for the leasing of postal buildings, but has not appropriated for the construction and ownership of such buildings as they become necessary.

The Postal Service must be maintained. Mail is received in such volume as the public business requires. It must be housed, transmitted, and delivered in safety. The department can not decline to negotiate leases on new buildings. They must be had, otherwise valuable mail is exposed to the elements and ruined in transmission.

Under the law as it exists to-day, the department is absolutely compelled to execute leases on the best terms it can get, whether they are reasonable or otherwise.

Entertaining the belief that Congress would change this policy as soon as it could come to a complete understanding of all facts, I have refrained from completing contracts for the erection of certain buildings, although their urgency is great.

It is the purpose of this letter to present those cases to your consideration which are just now particularly pressing and which will become exceedingly acute before buildings can be constructed.

It is also the purpose of this letter to explain to you more fully the entire leasing situation, showing how leases now in existence are constantly expiring, presenting almost daily problems as to whether they shall be renewed or not. But, if the policy of owning postal buildings shall be adopted by Congress, the logical method in my opinion would be to take care of the pressing cases as they occur by ownership, just as under the present policy we take care of them by leasing, although I do not wish to presume upon the manner in which Congress may see fit to act in these matters.

The extent to which this leasing policy has gone and the extent to which it will go in the next few years is almost startling. In my former communication I recited that we now have 5,846 post-office buildings under lease, while the Government owns only 1,132. Many of the Government-owned buildings have become outgrown. The aggregate annual rental for leased quarters is about \$12,000,000. Unless a building policy is adopted, this will increase by large amounts from year to year.

These leases are expiring almost daily, and whenever one expires it presents a new problem of what shall be done in a given locality. Renewals are made at increases of from two to four times the old rate, although careful study is made in each case and every possible effort made to secure the best terms. The popular objection to changing the location of post offices, particularly in the smaller cities and towns militates strongly against making a good trade for a lease.